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Bush Message to Gorbachev on START Viewed

PM1107103591 Moscow IZVESTIYA in Russian 9 Jul 91 Union Edition p 4

[By V. Nadein under the general heading "'Technical Details' or 'Substantive Problems'?": "U.S. Press on G. Bush Message to M.S. Gorbachev"]

[Text] Washington—"I want their team to make progress as quickly as ours," said U.S. President Bush when explaining why he recently sent another personal message to M.S. Gorbachev on strategic arms reduction problems.

Now that the Soviet side has met virtually all the Americans' demands regarding divergences in the interpretation of the Treaty on Conventional Armed Forces in Europe, the main obstacle in a meeting between the two countries' leaders in Moscow is considered here to be the agreement on strategic arms. Or, more precisely, certain features on which the differences of opinion in recent weeks have hardly diminished at all.

Even though White House spokesman R. Popadiuk confirmed that G. Bush has sent M.S. Gorbachev a message he refused to divulge the details. Of course, this secret lasted just minutes. "The details were received via other administration officials," THE NEW YORK TIMES reported impassively.

According to these information leaks, cited in abundance by all the U.S. mass media on Sunday, Bush has set a quite rigorous deadline: If the main differences between the sides are not settled in the next week there will be no time for the meeting in Moscow before the U.S. President's August vacation—and then the entire schedule will have to be rewritten.

In the opinion of the White House boss, the past two weeks of talks in Geneva produced virtually nothing. Bush sees one of the main reasons in the fact that "he sent to Geneva a U.S. team equipped with considerable power and flexibility in their work whereas the Soviet participants in the talks were evidently not endowed with similar flexibility" (the NEW YORK TIMES).

As Bush stated last week, the talks on strategic arms "are 96 percent ready. We are near to some fine arms control points." But the remaining 4 percent are causing Washington concern, as a result of which the U.S. President is thought to suggest in his message to Gorbachev that USSR Foreign Minister A.A. Bessmertnykh and U.S. Secretary of State J. Baker meet in Washington this week for the final effort.

Back in December 1990, during a visit to the United States by E.A. Shevardnadze, the then foreign minister, the sides expressed satisfaction at the high level of readiness of the treaty and called the remaining disagreements "technical details." Now G. Bush terms them "substantive problems," which permit no ambiguity.

As the U.S. press reports, there are four contentious points in the treaty. The procedure for the inspection of missile-producing enterprises, the more precise definition of the modernization of old missiles and of methods for deciphering missile test data, and the system for calculating the reduction of warheads on missiles not subject to dismantling.

It is reported that G. Bush reaffirmed in his message his desire to meet with M.S. Gorbachev in Moscow. He does not intend insisting that the signing of a strategic weapons treaty during his Moscow visit is essential although he would prefer not to make the trip if the main problems are not resolved in the near future.

Last week in the U.S. Senate and House of Representatives Bush was criticized a number of times for allegedly rushing the new treaty too much, which could lead to mistakes. Legislators believe that Bush is not making enough use of the advantages deriving from the gravity of the Soviet Union's economic position and M.S. Gorbachev's extreme interest in a summit at the earliest possible date. Bush's message to the Soviet president, observers believe, is to some extent an answer to that criticism.

Political Decision Necessary for Treaty

OW1007051191 Moscow INTERFAX in English 0930 GMT 9 Jul 91

[Transmitted via KYODO]

[Text] If the USSR and the USA do not make a political decision concerning the as yet unanswered questions of the Strategic Arms Treaty, then the signing of the document, due to take place at the end of July in Moscow might not take place at all. Such a fear was expressed to IF's [INTERFAX's] correspondent on Wednesday by an expert from the Soviet Foreign Ministry directly linked with the US-Soviet talks on disarmament in Geneva.

According to the expert, the fate of the treaty could be decided on July 11-12 when Messrs Bessmertnykh and Baker, the two foreign ministers, are due to meet. Five questions have to be answered, questions which the Soviet side view as part of the complex and which stand in the way of the agreement being completely ready.

The Soviet expert considers that the U.S. side should be more flexible in this matter.

U.S. Team Satisfied With Kiev Inspection

LD0907222291 Moscow TASS International Service in Russian 0733 GMT 9 Jul 91

[Text] Kiev, 9 Jul (UKRINFORM-TASS)—A group of U.S. representatives has arrived in Kiev Military District to assess information about the Armed Forces. This visit is the first step on the road of practical implementation of the 1990 Vienna document on confidence-building measures and security in Europe, which came into force from 1 July this year.

For 12 hours the American military specialists verified the presence of combat equipment and arms in the 110th Guards Motor Rifle Regiment, which is commanded by Lieutenant Colonel of Guards I. Ploskonos, hero of the Soviet Union.

As Colonel V. Istomin, head of the department responsible for ensuring that the treaty on the reduction of arms is implemented in the district, told the UKRINFORM-TASS correspondent, the American side was satisfied with the outcome of the inspection.

Mikhailov Discusses Results of Arms Talks

LD1007151191 Moscow TASS in English 1431 GMT 10 Jul 91

[By Sergey Batyrev]

[Text] Paris July 10 TASS—Problems of conventional armaments export and nonproliferation of weapons of mass destruction were discussed by a two-day meeting of representatives of the United States, USSR, Great Britain, France, and China, that ended here on Tuesday evening. It was the first such meeting in the postwar history.

The communique adopted on the results of the meeting says its participants are concerned over inordinate buildup of military potentials in various regions.

Representatives of the five countries, permanent members of the UN Security Council, confirmed that they will not sell arms to other countries if such deliveries can jeopardise international stability.

Emphasising the danger inherent in the spread of weapons of mass destruction, they agreed to work out specific measures for arms control and nonproliferation on a world and regional scale.

It was noted in this connection that a genuine answer to the menace of spreading weapons of mass destruction is the conclusion of verifiable agreements on arms control and disarmament.

The sides also firmly declared in support of the idea of creating in the Middle East a zone free from weapons of mass destruction.

As to the export of conventional armaments, the five members of the UN Security Council declared, first of all, for greater responsibility, greater confidence and greater openness in the area. The sides also expressed the intention to observe restraint in making decisions on arms export.

It has been decided to continue consultations on problems discussed. It was agreed that a new meeting of representatives of the five permanent members of UN Security Council on this subject will be held in London in October.

Disarmament problems play an important role in changes in world politics in the recent period, and this is one of the main reasons why the meeting was held, head of the USSR delegation, Ambassador Konstantin Mikhailov told TASS.

"We are all striving to achieve greater security, harmoniously combining its political and military aspects," he said. "Meanwhile, questions of arms delivery and sales have not been discussed at international talks over a long time. The situation in the world is different now, and the Gulf crisis gave an impetus to holding these talks here at present."

Appropriate initiatives of U.S. President George Bush and French President Francois Mitterrand were advanced following the Gulf crisis. British Prime Minister John Major expressed the ideas approaching these initiatives. The Soviet side made suggestions in this direction.

The initiative for the meeting was made by France. It should be noted that all permanent members of the UN Security Council expressed the readiness to discuss these problems.

It is apparent that inordinate, uncontrolled, armed deliveries that are not balanced militarily and politically lead to destabilisation in some or other region.

During the meeting in Paris it was discussed how to work further to find a solution that would consider security of all people, ensure the lowest level in armaments, and restrict and prohibit the deliveries of weapons of mass destruction, missiles and rocketry equipment. Finally, it should be remembered that a rational solution to the problem of arms exports will promote the solution of numerous socio-economic problems.

Openness regarding arms supplies and sales should be the basis of the approach to these matters, Mikhailov said. There were specific proposals on these matters. For instance, there was an idea to look for some forms of mutual notification of arms supplies. There is an understanding that the sides should exercise restraint in arms supplies. Hovewer, the solution to this problem cannot be unilateral: Both arms exporters and importers should participate since an arms market, like any other, is based of supply and demand.

GDR Chemical Arms Report 'Gross Insinuation'

LD1007171491 Moscow TASS in English 1651 GMT 10 Jul 91

[By Igor Osinskiy: "No Soviet Chemical Weapons in Germany, Army Says"]

[Text] Berlin July 10 TASS—A report alleging that Soviet chemical weapons are stationed on the territory of the former DDR [GDR] is a gross insinuation, according to officials in the Western Group of Forces.

According to reports in several German newspapers today, the Soviet Army, fearing imminent disclosure and trying to cover its tracks, is taking out chemical arms in disguised carriages at night in the direction of Rostock. From Rostock the weapons are shipped to the Soviet Union. The covert operation was alleged to have been photographed by U.S. satellites. The U.S. Department of Defence informed Bonn about this.

Commenting on whether such rumors are true, the BERLINER ZEITUNG newspaper believes that official denials by the German Defence Ministry should not be trusted.

The ministry once denied that there were Soviet nuclear weapons in the DDR. When Moscow admitted this, the ministry said it knew everything, but preferred to keep silent due to political reasons.

There are now chemical weapons in the Western Group of Forces and there are now depots with such weapons on the territory of former DDR. [sentence as received]. [Moscow TASS International Service in Russian at 1020 GMT on 10 July, in an identical report reads at this point: "The Western Group of Forces has no chemical weapons in its armory and no dumps for them on the territory of the former GDR."] A group of Bundeswer experts could see it for themselves when they expected eight Soviet military facilities of their own choice and did not find any traces of chemical arms, according to a press release by the Western Group of Forces, circulated today.

The problem of the Soviet withdrawal from Germany has attracted increased interest by German news organisations recently. Frankly speaking, this interest is not always healthy. A week ago the BERLINER ZEITUNG and TAGESSPIEGEL frightened their readers with Soviet nuclear missiles that were allegedly left in a forest near Berlin. It turned out that the missiles long belonged to the Bundeswer, were being prepared to be scrapped and carefully guarded.

BERLINER MORGENPOST reported today that two unidentified corpses had been found in a lake near Koenigs Wusterhausen. Without bothering to prove anything, the newspaper suggested that these are runaway KGB officers killed by their colleagues.

The dissemination of such unconfirmed information does not serve to promote trust and understanding that are so necessary for the peoples of our countries, who have jointly decided to reconsider the past and find a way to the final reconciliation, the Western Group of Forces said in its statement.

Ignatenko Reveals Gorbachev Agenda for London

LD1007141891 Moscow TASS in English 1356 GMT 10 Jul 91

[By Konstantin Voitsekhovich and Aleksandr Kanishchev]

[Text] Moscow July 10 TASS—Soviet presidential spokesman Vitaliy Ignatenko briefed journalists today on the programme of Soviet President Mikhail Gorbachev's stay in Britain. The president will go to London for a meeting with heads of Group of Seven (G-7) states and a working visit to Britain.

Gorbachev is due to arrive in London in the evening of July 16, Ignatenko said. In the morning of July 17 he will have a luncheon with French President Francois Mitterrand, then meet Japanese Prime Minister Toshiki Kaifu. On the same day at noon he is due to meet U.S. President George Bush.

Upon its completion, Gorbachev will meet heads of state and government of the Group of Seven. After that he will hold a joint news conference with British Prime Minister John Major.

In the morning of July 18, Gorbachev will meet Italian Prime Minister Guilio Andreotti, Canadian Prime Minister Brian Mulroney, and British Prime Minister John Major. After a luncheon given by Major, the Soviet-British talks will be expanded to include other members of the delegations. At 1700 Gorbachev will meet journalists and then pay a visit to Queen Elizabeth the Second.

In the morning of July 19 before his departure, Gorbachev will meet leader of the Labour Party Neil Kinnock and former British Prime Minister Margaret Thatcher.

It is expected that on July 12 Gorbachev will send the concept of his address to the G-7 leaders, Ignatenko said. Having stressed that it will be the Soviet president's "own report," probably called "the Gorbachev plan," Ignatenko added that work on the document was nearing completion.

On his visit Gorbachev will be accompanied by First Deputy Prime Minister Vladimir Shcherbakov, Foreign Minister Aleksandr Bessmertnykh, member of the USSR Security Council Academician Yevgeniy Primakov, Stepan Sitaryan, working for the Council of Ministers, economist Grigoriy Yavlinskiy, Soviet presidential aide Anatoliy Chernyayev, the president's senior adviser Vadim Medvedev, and presidential spokesman Vitaliy Ignatenko.

Details of News Briefing

LD1007153891 Moscow TASS in English 1519 GMT 10 Jul 91

[Text] Moscow July 10 TASS—Presidential Spokesman Vitaliy Ignatenko told reporters today about the schedule of President Mikhail Gorbachev's stay in London.

Gorbachev travels to London to meet leaders of the Group of Seven nations and for a working visit to Britain, Ignatenko said.

Gorbachev will arrive in London late on July 16. On July 17, he will have a working luncheon with President Francois Mitterrand of France, meet Japanese Prime Minister Toshiki Kaifu and on the same day, at 12:00, meet U.S. President George Bush. After that Gorbachev will meet heads of state and government of the "Seven".

Asked what the Soviet president expected from the meeting with the "Seven", Ignatenko said: "The president expects understanding of the country the 'Seven' will deal with."

"This may be too lyrical an expression for such a statement, but I want to say that the 'Seven' will meet the future Soviet Union, because all the president will speak about will be aimed at giving a picture of the future of this country," he said.

Reporters asked if the Japanese side excluded the territorial issue from preliminary conditions for Mikhail Gorbachev's meeting with the "Seven" in London after the recent visit to Tokyo by Gorbachev's envoy Yevgeniy Primakov.

Said Ignatenko: "We saw speculations in various newspapers, this drew attention. But officially, no conditions were put before us, and, vice versa, Primakov's meeting with Toshiki Kaifu showed that we are moving towards a fruitful and good cooperation, which I hope will be equally good during the work of the 'Seven' in London."

Commenting on the possible timeframe for the Soviet-American summit in Moscow, Ignatenko said that the working visit by Soviet Foreign Minister Alexandr Bessmertnykh and Chief of Soviet General Staff Army General Mikhail Moiyseyev to the United States, which begins on Thursday, aims to resolve remaining differences on the START treaty.

If this is done in Washington, the summit could be scheduled for "the end of July, or maybe the first couple of days in August", Ignatenko said.

Commenting on IAEA mission to Iraq, Ignatenko said: "We expect Iraq to cooperate with them fruitfully and are looking forward to a very detailed and concrete report by IAEA experts."

The report "could have great influence on any steps in the future towards ensuring implementation by Iraq of all Security Council resolutions", he said.

Cites Gorbachev on Democratic Reform

LD1007181791 Moscow Russian Television Network in Russian 1700 GMT 10 Jul 91

[Exchange between Vitaliy Ignatenko, USSR presidential spokesman, and an unidentified correspondent at a news conference in Moscow on 10 July; from the "Vesti" newscast—recorded]

[Text] [Correspondent] Academician Shatalin yesterday followed Shevardnadze and said it was desirable for President Gorbachev to participate in the Democratic Reform Movement. Is this possible in the future?

[Ignatenko] You know, say what you will, this is an individual's personal choice, his personal destiny, so to speak. Individuals must decide for themselves and Gorbachev is not an exception from all the other people who draw certain conclusions for themselves, conclusions that are translated into actions, and actions that are translated into destiny. If his former comrades-in-arms have made that choice, then he understands that choice. That is how I would put it.

Foreign Ministry Spokesman Gives Briefing

Churkin on Hostage in India

LD1007142591 Moscow TASS in English 1405 GMT 10 Jul 91

[By Konstantin Voitsekhovich and Aleksandr Kanishchev]

[Text] Moscow July 10 TASS—According to unofficial information received from the Indian side through the Soviet Embassy in New Delhi and the Soviet Consulate General in Calcutta, Soviet specialist Sergey Grishchenko, captured by militants of the United Front for the Liberation of Assam on July 1, was killed during an attempt to flee. This statement was made by Soviet Foreign Ministry spokesman Vitaliy Churkin today.

The Indian Foreign Ministry, he added, has yet to confirm the trustworthiness of these reports. Efforts to check and update the incoming information continue. On receipt of official information about the fate of Sergey Grishchenko, the Soviet Foreign Ministry will immediately pass it on to the mass media, Churkin said.

Conference on Ethiopia Viewed

LD1007150791 Moscow TASS in English 1435 GMT 10 Jul 91

[By Konstantin Voitsekhovich and Aleksandr Kanishchev]

[Text] Moscow July 10 TASS—At a briefing in Moscow today, Soviet spokesman Vitaliy Churkin commented on the results of the national conference on the Ethiopian settlement in Addis Ababa.

The charter for the transition period and the Declaration on Eritrea, endorsed at the conference, as well as formation of the council of representatives to set up a transition government for a two-year period, he stressed, testify to its participants' desire to establish peace and democracy in the region.

The Soviet Union hopes that the atmosphere of sensible and well-considered approach that prevailed at the conference will be preserved at the subsequent stages of settlement in the country. The fact that leaders of Ethiopia's provisional government and provisional administration in Eritrea found an acceptable, balanced formula for the settlement of the Eritrean problem deserves attention.

The Soviet side, Churkin stressed, is prepared for constructive cooperation with the Ethiopian transition government, observers from other countries and international organisations and will render all-round assistance in establishing peace, attaining national accord, and finding solutions acceptable for all the peoples of the country.

TASS Details Briefing

LD1007180891 Moscow TASS in English 1741 GMT 10 Jul 91

[By Konstantin Voytsedkovich and Aleksandr Kanishchev]

[Text] Moscow July 10 TASS—Soviet Foreign Ministry spokesman Vitaliy Churkin commented on the results of a conference on an Ethiopian settlement at a news briefing today.

The Soviet side is prepared for a constructive cooperation with Ethiopia's transitional government and observers from other countries and international organisations and will work to promote peace and national accord and help find solutions acceptable for all peoples in Ethiopia, Churkin said.

According to unofficial and preliminary reports from the Indian side provided to the Soviet Embassy in New Delhi and the Soviet Consulate General in Calcutta, Soviet specialist Sergey Grishchenko, captured by militants from the United Front for the Liberation of Assam on July 1 in Assam State, was killed during an attempt to escape, he said.

The Indian Foreign Ministry has not yet confirmed these reports. The Soviet Foreign Ministry will inform the mass media as soon as it receives official reports about Grishchenko's fate, he said.

A Soviet-American round table discussion on energy questions opened in Moscow on July 10, Churkin reported.

The event was organised by the Soviet Foreign Ministry and the U.S. Department of State, he said. It is attended by leaders of such companies as Amoco, Arko, Dresser,

Conoco, Exxon, Hunt Oil, Marathon, McDermott, Mobile [as received], Occidental, Texaco and Chevron, he said.

The U.S. delegation is led by Assistant Secretary of State Eugene McAllister. The round table is attended by Deputy Secretary of Trade Ted McBride.

The Soviet side is represented by officials from Union ministries and organisations, as well as representatives from Russia, Azerbaijan, Kazakhstan, Tadzhikistan and Tyumen region. The Soviet delegation is led by Deputy Foreign Minister Ernest Obminskiy.

Deputy foreign ministers from the Black Sea region will meet near Moscow on July 11 and 12, Churkin said. The meeting will be attended by deputy ministers from the Soviet Union, Bulgaria, Turkey, Romania and Greece and representatives from Yugoslavia. Greece and Yugoslavia will attend the forum as observers, he said.

Participants will continue work on a document on economic cooperation in the region. They will discuss contacts between the Black Sea states on the basis of principles for European cooperation, sealed in the Helsinki Act, the Paris Charter and documents of other CSCE meetings.

Constituent Soviet republics were involved in this work from the very beginning. The Moscow meeting will be attended by representatives of Foreign Ministries of Armenia, Azerbaijan, Georgia, Russia and the Ukraine, Churkin said.

The Soviet side is preparing for Greek Prime Minister Konstandinos Mitsotakis's visit to the Soviet Union scheduled for the end of July, Churkin told reporters unofficially.

Soviet-Greek high-level talks will focus on bilateral relations that have a vast potential, Moscow believes.

The sides will also discuss European, Mediterranean and world problems, he said.

G-7 Assistance Considerations Discussed

PM1107083191 Moscow PRAVDA in Russian 6 Jul 91 Second Edition p 6

[By political observer Tomas Kolesnichenko: "View from Moscow": "The Chips Are Down, Gentlemen"]

[Text] It only seems that purely economic problems will be resolved during the London meeting between the USSR president and the leaders of the "G-7." In actual fact, all the economic programs known to us today—the Harvard, anticrisis, academic, Yavlinskiy, and others proposed to the president—are, in point of fact, variations on one and the same political theme; namely, the problem of transforming the Soviet Union into a qualitatively new state. What kind of state?

The answer to this question will largely depend on which program M.S. Gorbachev takes to London. It will undoubtedly be his own program. What is important here is which "rules of the game" the president takes as the basis. The development of the Novo-Ogarevo process imparts an optimistic mood, although the past few days have once again shown its whole complexity. The "game" is being planned in earnest. And the stakes in it are particularly high, although they are diametrically opposite for many participants.

For the truly reform-minded forces in our country the transition to close cooperation with the Western economy signifies the final victory of democracy over totalitarianism, national concord, the development of a market economy, and society's openness. It is with just such a nationwide (I wish to emphasize this word) mandate that the USSR president must arrive in London.

Therefore it is important not only to observe but also to develop everything of value that is enshrined in the "nine plus one" concept and not provide an opportunity for it to be undermined on either a parliamentary or any other level.

Those who "do not want to waive their principles" are gambling on cosmetic changes in the system while in fact preserving its edict-bureaucratic essence. In the end, this is a gamble on national discord, economic disaster, and social disorder. I would call this the Yugoslav option.

The West's stakes are high too. It is not for nothing that it calls the upcoming talks not only the "bargain of the century" but also a "window of opportunity", i.e. an opportunity which can be taken to alter the world climate and build a truly peaceful order on our planet. At the first stage there is the purely practical task of coordinating the steps being taken in our country with the West's countersteps (I so want to say "counterplan") in the matter of assisting Soviet perestroyka and overcoming crisis phenomena.

There has recently been a great deal of debate as to why, in fact, the elite club of the "superrich", which is what "the seven" are, must suddenly cough up billions of dollars for the sake of our interests. For, if you take the purely economic aspect of the influence of our national economy on world markets, it is, alas, scanty. It would be possible to paraphrase Einstein's well-known words to the effect that the universe will not shed a single tear if mankind destroys itself and say the same thing in the event of our economic collapse. Yes, the world economy might not even notice it, and it would only shake the raw materials exchange somewhat. But in that case the political effect would be unpredictable, especially for the security of the West.

Again I will cite Yugoslavia as an example. See how our stereotypes are collapsing. Only recently we would have accused the "long arms of the CIA" of making Yugoslavia disintegrate. Today some people seek these arms in certain Soviet republics, blaming the explosion of

nationalism in them on the intrigues of the special services. They still intimidate us, but we are no longer frightened. And not because the CIA has stopped working but because this does not benefit either the CIA, or the United States, or Britain—not anyone in the West. Even the split in Yugoslavia, not to mention the USSR, poses a real threat to their own security.

To date the West has spent approximately $5 trillion on, as they put it, the "challenge to the USSR," i.e. on the arms race. If a situation of confrontation with the USSR arises, the bill will again run to trillions. It is far more advantageous, as Harvard experts propose, for the United States to spend 1 percent of its military expenditure on aid over five years. Last year, for example, U.S. taxpayers shelled out $120 billion just to "repulse the threat from Soviet conventional arms." "If that threat vanishes," Professor Ellison, one of the authors of the "grand deal" project says, "then I, as a taxpayer, will save money. I will also feel safer."

So, it turns out more advantageous to give than to take. What you have given is yours. I will point out that what Ellison and his colleagues are talking of in this case is not borrowings [zaymy] but nonrepayable loans [bezvozmezdnyye ssudy] ranging between $15 and $20 billion over three years.

It would be possible to conclude this "View From Moscow" on such a highly optimistic note. I am absolutely certain, however, that the question of billion-dollar injections into our economy—whether in loans, in investments, or gratis—will not arise in London.

On the one hand, this is because there are many very influential U.S. figures who do not want to waive their principles. If anybody doubts this, let him read what Lawrence Kudlow, spokesman for the well-known U.S. firm of Bear Stearns and Company, said recently during a television debate: "I personally would not give a cent. It would be simpler to give aid directly to Cuba, the KGB, and the apparatchiks, among whom it will be distributed anyway if we give it to the Soviets. We must take the East European model as an example.... This means that the present Soviet leadership must go." The well-known Democratic Senator William Bradley expressed himself in a more cultured manner in an ABC-TV interview: "Neither the U.S. President nor the FRG chancellor nor the French president can order businessmen to invest money in the USSR so as to lose it. The USSR must first carry out the necessary changes in order to attract capital."

It is perfectly possible to agree with the last point. Moreover, the question of changes, i.e. reforms, in the USSR, of their scale, consistency, etc., is precisely a part of the "rules of the game" which will be discussed in London. I would even say that at the London stage Gorbachev is faced, above all, with a problem on a philosophical level. This is where the highest stakes are! For the chief, fundamental question is being decided: Will we become an organic part of modern civilization or remain "the world's first worker-peasant state"? The specific problem of our economy's integration in the world economy depends on the answer to this question. We are, in fact, talking of the most significant transformations in the 20th century both for our country and for the whole world.

This will signify a qualitatively new stage of the worldwide economy and the creation of a unified world economic space. But for this it is necessary, first of all, to preserve the unified economic space in our country. "The seven" can deal only with the Union. No one republic on its own is capable, in terms of its own potential, of supplanting the Union as a whole. And not just the Union but one whose stability will make it possible to invest capital profitably on a long-term basis. Only free elections, respect for human rights, and a rule-of-law state can be the political guarantee of this.

The "rules of the game" with "the seven" also demand economic guarantees. It is not even a question of specific reforms (price liberalization, privatization, ruble convertibility—all these are market axioms) but of the entire economic model of our state. In short, the question of ownership is coming to the fore. The right to private ownership is proposed, and, not to beat about the bush, the right not only to middle or "small" ownership, and not only to collective ownership (for it is also possible to prove that a collective farm is private property). No, this time it is a question of the right to own land, enterprises, and other means of production. This certainly does not mean that tomorrow our entire industry, including the defense industry, will end up in private hands. Privatization is a complex matter, and not even Thatcher was able to carry it out with a "cavalry charge." It takes time. Yavlinskiy, for example, believes that by 1997 a considerable part of our national product must be produced by the private sector. All this is possible, but on the basis of competitiveness with other forms of ownership. But if we start introducing private ownership at a Stakhanovite pace, it will be no good.

What of the West? The ball, as the saying goes, is already in the court of "the seven." No "miracle"—be it West German or South Korean—has been achieved without considerable foreign economic aid. We need it all the more, although we diplomatically call this aid "assistance."

We do not, however, so much need money (rather, not only money) as assistance in creating the infrastructure of the market toward which we are bravely moving, knowing neither its laws nor its psychology nor its hidden danger zones. In this sense there has been progress, for instance, the recent granting to the USSR the status of an associate member of the IMF.

I know that this disappointed certain people in our highest "economic circles." For only full status opens up the way to credits. Of course, there is never enough money. But maybe there will be enough credits? Just count up how many billions are already being spent on

the payment of interest alone. But technical assistance and an authoritative expert appraisal of the economic reforms are needed, and the status granted us at the IMF opens up immediate access to them.

Hence the conclusion: The West will grant us aid or assistance—call it what you like—not "in general" but for specific projects which have received expert IMF appraisal. It is possible to accept such "rules of the game." I personally do not see this as an infringement of our sovereignty, and it is hardly strengthened by the multibillion "protracted construction project" which was started in an offhand and thoughtless manner and extended from Moscow to the most outlying districts.

And the final point: What we recklessly call a game is essentially not a game but life. So the stakes here are no less than life itself. With Pasternak, such a "game" demands of the "actor" "complete death in earnest." With Heine, it is still more alarming: "Mortally wounded, I played, picturing a gladiator's death."

Lord, preserve us.

Article Discusses G-7 Prospects for Economy

PM1107101991 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Jul 91 p 1

[M. Chikin article: "Seven Men Await One Man. Gorbachev Goes to London in a Week. With What Will He Return?"]

[Text] Excuse me, but it will be a question of money. However we try to put up a smoke screen of "business-like constructive proposals" around Gorbachev's coming visit to London, let us admit: The president is going there for money and hopes to get it. One official version goes like this: You have to realize who we are, our place in the world economy, and how we can integrate into this economy with the least amount of losses. However, an opinion already exists on this. In an IMF report IMF experts changed the previous classification of states. All countries are now divided into two categories: developed—or providing credit—and developing—or recipients of credit.

The quite logical question arises: "In return for what?" For reforms, of course. During one interview Ye.M. Primakov, the president's closest adviser, defined the essence of the reform program as follows: Our advance toward the market, the extent to which this advance is radicalized, the dates, and stresses will depend, to a considerable extent, on what countersupport we receive from the West. That is, there will be reform, if there are dollars. The West, on the contrary, having heard enough promises and tales about perestroyka, is by no means burning with a desire to provide billions and see whether we cope with them or not.

Note how political life has become more active over the last two or three weeks. The general secretary of the party that quite recently began to investigate the activity of one of the new democratic movement's founders, E. Shevardnadze, has welcomed this party being set up. The general secretary suddenly said that it is supposedly not at all necessary to absolutize any of Lenin's and Marx' statements—imagine that a few months ago! What about the urgent adoption of a law on foreign investment? Have you never noticed the coincidence—as soon as some of the top leaders go abroad, delightful reports appear in our press: First diamond mines have been discovered, extending halfway across the country to Moscow, then so much oil and gas has been found that it is terrifying: Where are we to get all the storage tanks and what will we do with all this? No, we definitely will not cope on our own.

However, let us not draw hasty conclusions. Will the West take all this at face value?

Everything that the members of the "Seven" have said over the last two or three weeks has contained the following question: What do you expect of Gorbachev? One answer: a concrete program. As Ye. Primakov said during a recent interview, the president still dwelt on the following option: There will be no program, there will be a conceptual speech that will, incidentally, be distributed in advance to all the conference's participants. The president simply wants to share some of his ideas as to how to go on. This is where the doubts arise. At this level "tit for tat" options that are unacceptable at home may fail. What is more, on several occasions the whole world has seen our country adopting one program after another. Gorbachev seemed to approve them, but then they were somehow forgotten.

Since we have already agreed that we are talking about money, let us ponder what we should expect given the most favorable outcome of the meeting. The "Seven" are all without exception currently in the throes of economic recession brought about both by overproduction and the costly Gulf war. According to OECD estimates, production has fallen in the United States, Britain, Germany, and France. Let us not forget either that people are skilled in counting money there and the "Seven" would count up seven times before reaching for their check books, having applauded the Soviet president's "conceptual speech."

What is more the "seven" themselves are not united on wide-ranging aid. Gorbachev will rely mostly on Chancellor Kohl, who during the preparatory stage unequivocally advocated all manner of credits being granted to the USSR immediately. Following German unification he has become our closest partner and is perfectly well aware that it is too early to finalize the question of reciprocal accounts for the eastern lands.

The Japanese may spring a big surprise. When the question was being decided on whether Gorbachev should be invited to London or not, the Japanese premier said that he would only agree to this meeting if the

entire "Seven" put the question of the northern territories to the Soviet president. His stance softened somewhat later, but if things get to the matter of money, Kaifu will remain unbending on this. "Pouring water into a bottomless pit is a pointless exercise," he said recently.

There will hardly be any problems with the Americans—we have by and large developed businesslike relations with them—on paper at least. Powerful U.S. corporations have already sized up our market or what passes for it and have no intention of giving up ground to the Germans or the Japanese. But if it gets as far as decisionmaking in London and Japan lobbies and objects, the United States may—quite possibly—refrain from large-scale credits. They have already come into conflict with the Japanese at home.

So, suppose the outlook is bad—no money. That is no money for the USSR. Then whom is the money for? Let us move away from the "seven" for a moment. Let me give you a brief synopsis of a May AP report. Russia, the largest republic in the Union, has paid a Washington lobbyist $3 million a year for assistance in procuring U.S. aid. The entrepreneur—lawyer Roy Chalk—gets $50,000 a month. Chalk has done business with Silayev and Yavlinskiy. Last December in Moscow the Russian premier signed a corresponding contract with him. The plan envisages the creation of two megapowerful joint enterprises—a corporation producing food with capital of $2 billion and an industrial corporation with capital of $3 billion. The money is taken from the interstate privatization fund, which is in turn funded by other states.

Why this lengthy example? There will always be money for a good cause. Not for "perestroyka" or "renewal", but for a corporation, a mechanism, a system. If the president's portfolio does not contain these things, the chances of success are reduced to a minimum.

Nonetheless, what options are there as regards the outcome of the London meeting? The USSR may agree to participate as an associate member of the IMF and the World Bank, the United States may agree to grant the USSR most-favored-nation status in trade, conditions for payment of the foreign debt will change, and restrictions on exports to the Soviet Union may be lifted. That's quite a lot. Nonetheless.

Gorbachev has been waiting for this meeting for a long time. He wanted to attend the 1989 and 1990 G-7 meetings in Paris and Houston respectively. He has finally been given an opportunity to do so. One must give credit to the president's courage—it is quite humiliating to wait patiently for the world's discussion of whether to "invite him or not" to end, then wait while the world's powerful men sort out their problems and only then hear out a large wretched country. Come what may, he had to wring this opportunity from them. The point is that if we do not exploit this opportunity, it may be our last.

Shatalin on East-West Economic Cooperation

LD0807210591 Moscow TASS in English 1315 GMT 8 Jul 91

[By Albert Maloveryan]

[Text] Tallinn July 8 TASS—Economic reform, in the conventional sense of this word, will not save the Soviet economy from collapse. More radical changes are required, academician Stanislav Shatalin, a member of the group that initiated the "Democratic Reform Movement", told an international conference on East-West economic cooperation that was held here.

Shatalin negatively assessed the current economic situation in the Soviet Union. In his view, there is no economy as such in the country. What exists is merely the production of goods.

The current Soviet economy is an irrational, artificial system that does not lend itself to regulation using market relations, stock exchanges, capital and monetary markets. Various coupons and other papers are used in the USSR along with official money.

In the form it exists today, the Soviet economic system should be replaced with a new one. Shatalin compared reform "with putting patches on a wornout suit that one cannot wear in public anyway."

In the opinion of another participant in the conference, prominent American political scientist and expert on Soviet affairs Zbigniew Brzezinski, the situation is not that hopeless.

He felt optimistic because authorities in Moscow were realising the need for drastic changes and were inclined to conduct a comprehensive economic reform that would affect fundamental principles of economic management.

Delegate Addresses ECOSOC Session in Geneva

LD0907094591 Moscow TASS in English 2137 GMT 9 Jul 91

[By Sergey Sedov]

[Text] Geneva July 9 TASS—The United Nations Organisation which has achieved marked successes in the political sphere of late, particularly in resolving regional conflicts, is able to make a substantial contribution to normalising the world economy as well. This idea in this or that form was voiced by many participants in the current session of the U.N. Economic and Social Council (ECOSOC) here on Monday.

The United Nations Organisation is the most appropriate forum to study ways to harmonise integration economic processes now taking place in various regions

of the world, Andrey Kozyrev, Russian federation minister of foreign affairs and leader of the Soviet delegation, said in his speech during the general discussion at the session on Monday.

He believes that thematic meetings at ministerial level within the ECOSOC framework enhance the U.N. role in this respect still further.

The Soviet Union is now taking practical steps for the country's full-scale integration into the mechanisms of multilateral economic cooperation, Kozyrev said.

It is important that the advisability of the Soviet Union's participation in this or that forum or organisation be determined not by "ideological" postulates but by practical need for active integration of the country into the world economy on the basis of a fundamental reforming of its own economic structure, he said.

Russia which "often acts as the locomotive of in-depth democratic reforms in the USSR" firmly supports steps in that direction, Kozyrev added.

Having gained the backing of the majority of the population at the recent elections, the leadership of the republic seeks to accelerate transition to a market and ensure the compatibility of the Russian economy with the world one.

In conclusion of his speech at the ECOSOC session, the Soviet chief delegate touched upon the question of coordinating international efforts to more effectively overcome the aftermath of the tragic accident at the Chernobyl nuclear power station, the accident that "directly affected the interests of millions of people in all countries and on all continents."

The Soviet Union highly appeciates the participation of the world community, the U.N., many international organisations and special agencies in the efforts, Kozyrev said.

The ECOSOC's current session should still further enhance the coordination of effort and raise the efficiency of action by all the sides concerned in mitigating the aftermath of the Chernobyl accident, he said.

With this end in view, the Soviet delegation intends to submit a brief draft of an appropriate resolution for the session's consideration, he added.

Meeting Aims To Stabilize World Oil Prices

PM1007115391 Moscow IZVESTIYA in Russian 4 Jul 91 Union Edition p 7

[Yu. Kovalenko report: "'Black Gold' Prices Discussed. How Can an Oil Crisis Be Avoided?"]

[Text] Paris—A meeting of representatives from 23 oil-producing and consuming countries at ministerial level, and from various international organizations like the IMF, the World Bank, the European Bank for Reconstruction and Development, the EEC, OPEC, and others is being held in Paris. The meeting is being held on the initiative of France and Venezuela. For the first time the Soviet Union is also participating in this forum which LE MONDE called "a summit conference."

Its aim is to search for dialogue that would enable us to avoid new "oil crises" in the future. P. Beregovoy, French minister for the economy, finance, and the budget, stated that a situation allowing maximum stability to be achieved in the world's oil market is being considered at the meeting. At the present time, P. Beregovoy stressed, all countries have an interest in preventing—as far as it is possible to do so—oil prices from sharply kiting and plunging and thus producing a negative effect on the world economy.

In the opinion of OPEC Secretary General Dr. Subroto, the Paris conference should primarily help to stabilize the oil market. The temporary calm that has been established in the oil market is only relative, the experts stress. On the one hand, the interests of producers and consumers of "black gold" are coming into conflict as they did previously, while on the other hand, according to recent research conducted by the French bank Paribas, disagreements within OPEC have also intensified.

The newspaper QUOTIDIEN DE PARIS writes of the stronger position within OPEC enjoyed by Saudi Arabia, on whose territory 77 percent of all the world's current reserves happen to be located. And although the United States believes that the market alone should regulate oil prices without any interference from the authorities, in reality they are in many ways determined by direct talks between Washington and Riyadh.

However, many experts believe that the market plays an important role in determining prices in the very short term, but is inadequate to account fully for the expenses involved in the considerable capital investment in this industry. Therefore it is necessary to supplement the market by means of certain regulating mechanisms, an Oxford Institute report on research into energy problems notes.

OPEC is looking at capital investments in the region of $60 billion for the oil industry in order to satisfy the world's demand for oil by 1995.

During the recent war in the Persian Gulf, Saudi Arabia demonstrated that it was able to compensate for the cessation of oil output from Kuwait and Iraq. And the new Washington-Riyadh axis favors the maintenance of low oil prices. However, this causes very serious problems in a number of countries. For some of them the decrease in oil revenues leads to a sharp deterioration in their economic position and a worsening internal situation that threatens a social explosion.

United States & Canada

Bessmertnykh, Moiseyev Travel to Washington

Preparations for Talks

LD1007144291 Moscow TASS International Service in Russian 1217 GMT 10 Jul 91

[By correspondent Oleg Moskovskiy]

[Text] Moscow, 10 Jul—"In response to Saturday's message from U.S. President George Bush, USSR President Mikhail Gorbachev has decided to send USSR Foreign Minister Aleksandr Bessmertnykh and me to Washington in order finally to deal with all outstanding issues in time for the upcoming meeting between the two leaders of our countries," stated Army General Mikhail Moiseyev, chief of the general staff of the USSR Armed Forces, in an interview with a TASS correspondent before flying off to the United States today.

General Moiseyev recalled that the leaderships of the Soviet Union and the United States have expressed a readiness to hold the next Soviet-U.S. summit in Moscow at the end of July-beginning of August 1991. "During this meeting there are plans to sign a treaty on reducing and limiting strategic offensive weapons," stressed Mikhail Moiseyev. He added that work on preparing this treaty has been going on for a long time. "All that remains is to agree on a few issues, and the elaboration of the draft treaty will be complete," noted the chief of the general staff.

In setting off for the United States, said Mikhail Moiseyev, the Soviet delegation is acting on the basis that all the final few remaining issues will in the end be resolved if the sides move to meet each other. "This is necessary in order to ensure that in the very near future the Soviet and U.S. delegations at the strategic offensive weapons talks in Geneva can complete the technical formulation of the draft treaty so that it may be signed by the presidents of our two states," noted General Moiseyev in conclusion.

Arrive in Washington

LD1107042691 Moscow TASS International Service in Russian 2352 GMT 10 Jul 91

[By correspondents Igor Barsukov and Aleksey Berezhkov]

[Text] Washington [dateline as received]—USSR Foreign Minister Aleksandr Bessmertnykh arrived in the U.S capital on Wednesday for a working meeting with U.S. Secretary of State James Baker. The visit is taking place in the framework of an agreement between USSR President Mikhail Gorbachev and U.S. President George Bush.

The main object of the talks, which will be held on 11-12 July, will be to solve the outstanding problems which are an obstacle to signing a treaty on the reduction of strategic offensive arms.

The Soviet minister is accompanied by Marshal Moiseyev, the first deputy defense minister and chief of general staff of the USSR armed forces, and Aleksey Obukhov, USSR deputy foreign minister.

At Andrews air force base near Washington, Aleksandr Bessmertnykh and those accompanying him were welcomed by representatives of the U.S. State Department and other officials.

Among the welcoming party were Viktor Komplektov, USSR ambassador to the United States, and Yuliy Vorontsev, permanent Soviet representative at the United Nations.

In a brief statement for the press, Aleksandr Bessmertnykh said:

I shall be taking part in what in my opinion will be one of the most important rounds of the talks. They will be devoted to completing work on the strategic offensive arms treaty. I hope we shall achieve progress. I expect we shall also discuss the other issues on the agenda of Soviet-American relations which we usually examine, including bilateral contacts and regional problems. In particular, I hope the secretary of state and I will give some time to the problems of the Middle East, which demand considerable attention.

So this is an important visit. With me are Army General Mikhail Moiseyev, USSR Deputy Defense Minister Aleksey Obukhov, and a group of experienced arms control experts who will be taking part in the discussion of ABM issues. I hope our talks will be productive.

White House Talks Start

LD1107115691 Moscow TASS International Service in Russian 1137 GMT 11 Jul 91

[By correspondents Igor Barsukov and Aleksey Berezhkov]

[Text] Washington, 11 Jul (TASS)—A meeting between U.S. President George Bush and USSR Foreign Minister Aleksandr Bessmertnykh, who is here on a working visit, has just begun at the White House. Problems of the completion of the work on the START treaty, prospects for holding a Soviet-American summit meeting in Moscow, and questions of bilateral relations are being discussed during the course of the conversation. Mikhail Moiseyev, USSR first deputy minister of defense and chief of the General Staff of the USSR Armed Forces, and Viktor Kompletkov, USSR ambassador to the United States, are present at the meeting.

Bush, Mulroney Ottawa Meeting Reported

PM1107102391 Moscow PRAVDA in Russian 11 Jul 91 Second Edition p 5

[Report by correspondent V. Shelkov: "Baseball No Impediment to Politics"]

[Text] Ottawa, 10 Jul—They say that one must know how to combine pleasure with business. Last Tuesday U.S. President G. Bush and Canadian Prime Minister B. Mulroney followed that advice. The leaders of the two countries came to Toronto to attend the traditional U.S. and Canadian league "All Star" baseball game.

But before taking their seats as the honored guests at the ultramodern Toronto "Skydome" stadium, the two statesmen held a meeting of a different kind. For an hour they discussed the forthcoming London conference of the "big seven," talked about joint approaches at the meeting with M.S. Gorbachev, and examined a number of other questions.

After the "baseball summit," as journalists immediately dubbed the talk between Bush and Mulroney, the President and the prime minister held a brief press conference which shed some light on the topics discussed behind closed doors.

In particular, answering journalists' questions about the linkage of progress at the talks on nuclear arms reduction with the rendering of assistance to the USSR, G. Bush stated that he does not see a connection between these two problems.

The U.S. President was asked about his views of the prospects for the Soviet leadership's political and economic survival. G. Bush replied that deciding who heads the state is the internal business of the Soviet Union. When Mr Yeltsin, after winning the elections, came to the United States, he spoke of new cooperation with Gorbachev. That is a good sign, Bush stated.

When you are dealing with a country which surpasses the United States in terms of territory and population but whose GNP is only 30 percent or at best 40 percent of the U.S. GNP, you can understand that that country is in a very complex position, B. Mulroney added for his part. Mr. Gorbachev is president of that country, the Canadian premier continued, and he is coming to London as a man who has given a good account of himself as a skilled leader. His steps to meet us and his policy on the international plane have been of great benefit. But he has to deal with very serious domestic problems, the only way out of which is on the path of fundamental market reforms.

Local political observers agree that the "baseball summit" has confirmed the proximity of the positions of Canada and the United States on the question of rendering assistance to the USSR. Both countries want above all to hear his plan of action from the Soviet leader. Responsive steps to all appearances will be cautious and gradual. Ottawa and Washington are inclined to view the London summit as the possible start of the integration of the USSR economy into the world economic system.

Commentary Criticizes New Submarine Development

LD1007130391 Moscow Radio Moscow World Service in English 0000 GMT 10 Jul 91

[Anonymous commentary]

[Text] The Pentagon has been forced to cut short its military spendings for the past few years. At the same time, new modernization programs designed to strengthen primarily the attacking capability of the U.S. Armed Forces naturally gives cause for concern.

The recent announcement by the Navy command about speeding up the development of a new Centurion submarine is the first example that may come to one's mind. The vessel is supposed to be a mighty supplementary to another advanced submarine called the Seawolf, which is being currently assembled in the United States. Centurions will probably replace Seawolfs in the future, mainly because the latter are too expensive and the United States Congress is hardly likely to use taxpayers' money on a large scale on costly military programs.

At the same time, and whatever happens, the very idea of developing new offensive nuclear weaponry doesn't fit the current world political situation and it's even stranger at the time when President Bush is calling Moscow for arms reduction accords that should be finalized soon.

On the eve of the meeting between Secretary of State Baker and Foreign Minister Bessmertnykh, to say nothing of the fact that the START talks have reached the final stage, a new nuclear program's appearance is the last thing that both Soviet and American peoples would favor.

Kissinger Article on Bargain Criticized

LD1007141191 Moscow TASS in English 1322 GMT 10 Jul 91

[By international news analyst Vladimir Shelepin]

[Text] Moscow July 10 TASS—THE WASHINGTON POST newspaper dated July 9 carried two articles which directly deal with the forthcoming meeting between Soviet President Mikhail Gorbachev and the Group of Seven (G-7) leaders of the major industrialised countries in London.

The articles strongly differ from each other in genre and tonality. David Remnick, in a dispatch from Moscow, reported the meeting between Gorbachev and the plenipotianary representatives of nine Union republics at Novo-Ogarevo.

It must be said that Remnick gave more information about the event than all the morning editions of Soviet newspapers on that day. However, the essence of reports by both PRAVDA and THE WASHINGTON POST is the same: The leaders of republics fully supported the

president-suggested approaches to problems that will be discussed in London and adopted a coordinated stand.

This is a fact of immense significance, considering how many lances have been broken over the issue both in the Soviet Union and in the world.

One of the chief arguments of opponents of the meeting both inside and outside the country was uncertainty as to whom Gorbachev will represent in London and on whose behalf he will discuss at summit level the difficulties being experienced by the Soviet Union and forms and scope of cooperation with the West to overcome them as soon as possible.

And there came an unambiguous answer: on behalf of those who constitute an overwelcoming majority of the country's population.

The second material in question is an analytical article by one of the patriarchs of world politics, former U.S. Secretary of State Henry Kissinger.

His article's very headline "No Time for a 'Grand Bargain'" is dissonant with the information from the newspaper's Moscow correspondent. The main conclusions drawn by the analyst correspond to it.

Long-term aid programmes, he believes, would only strengthen the communist establishment to the detriment of democratic forces striving for decentralisation and the meeting of G-7 leaders with Gorbachev is at least premature.

It appears that, while giving the go-ahead (for fairness' sake, it must be noted that it could so happen that the analyst did not know that) to Gorbachev's meeting with G-7 leaders, the democratically-elected president of Russia Boris Yeltsin and other partners for the Novo-Ogarevo process either inaccurately estimate the situation or deliberately act to the detriment of their peoples. It is permissible to doubt both the former and the latter.

Kissinger categorically rejects the possibility of applying a certain semblance of the famous Marshall Plan to the Soviet Union. The Marshall Plan is known to have helped raise post-war Europe out of ruin within a few years.

Why is he against such a plan? Because, it turns out, that the Soviet Union, unlike those defeated and occupied countries and friendly democracies, "has been a strategic adversary for two generations." Besides, the USSR's "economic difficulties and domestic struggle over first principles make it comparable to a Third World country, albeit with a large and modern army," Kissinger argues.

"In such conditions, outside aid has never succeeded in bringing reform," he concludes.

What can be said about that? It must be said, first of all, that confrontation has receded into the past never to return, which the heads of leading countries of the world have repeatedly mentioned.

Next, although the proposals which Gorbachev takes to London has not been made public so far, a blueprint prepared by the Grigoriy Yavlinskiy team with the assistance of U.S. professors is known.

Besides, the final text of the government's anti-crisis programme—which was signed by ten republics, endorsed by the president and has taken effect—has been circulated among the Soviet parliament deputies.

The programme contains a package of measures aimed at overcoming the crisis and shaping a market, envisages the transfer of state property to other owners and privatisation of the economy, transfers export licensing of practically all products, including oil, gas and coal, to the republics' jurisdiction. Is not that a bid for reforms?

Of course, a bid is one thing and practice is quite another thing. I fully agree with the argument by a majority of Western experts that investments and, what is more, their guarantee by the government are possible only in response to real and radical transformations in the Soviet economic system and not just to statements.

Kissinger suggests limiting to such measures as humanitarian and technical assistance and consulting. But why reject in advance a more radical contribution that the West could make to overcoming the Soviet Union's crisis and, it means, to international stability and to its own security?

I think that this is so only because the esteemed professor, and others as well, does not believe that transformations in the USSR acquire an irreversible character.

Well, it is the right of everyone to have doubts. But, to my mind, it is important that a chance be given in time and not be missed.

This is why I would like to end my reflections in connection with the two articles in THE WASHINGTON POST at the same note that was sounded by Remnick who quoted Russian Premier Ivan Silayev who, on behalf of all participants in the Novo-Ogorevo process, wished Gorbachev success in his trip to London.

I do so because the country, in order to effect deep and serious reforms, is in need of both cooperation, coordination and investments. Powerful impulses, including those from the outside, are essential to activate a market mechanism.

Soviet-U.S. Discussion on Regional Conflicts

LD0807212191 Moscow TASS in English 1356 GMT 8 Jul 91

[By correspondent Vasiliy Titov]

[Text] Moscow July 8 TASS—The situation in districts of southeast Asia and southwest Asia with acute tension, the situation in the Middle East and in Africa will be in

the focus of attention during a meeting of the Soviet-American group on regional conflicts at the Dartmouth conference. The meeting opened in Moscow today.

On the eve of the meeting's opening, the group's co-chairman Gennadiy Chufrin, deputy director of the Soviet Academy's Institute of Oriental Studies, told TASS that the chief purpose of the meeting is to look for mutually acceptable approaches to the settlement of most acute regional conflicts to work out recommendations for the governments of the two countries.

Prominent public figures and scientists from the USSR and USA participate in the meeting which will last till July 13.

New Moscow, Washington Embassies Remain Closed

OW1107085691 Moscow INTERFAX in English 1530 GMT 10 Jul 91

[From the "Diplomatic Panorama"; transmitted via KYODO]

[Text] It depends on the U.S. when American and Soviet diplomats in Moscow and Washington get the opportunity to move to the new buildings of their embassies. According to the U.S. and Canada department of the Soviet foreign ministry, the problem emerged because of the bilateral agreement which says that embassy members in the two capitals should move to the new buildings simultaneously. However the U.S. keeps delaying the move in Moscow. Several years ago it began to claim that the walls of its new embassy building are bugged. The Soviet side, said foreign ministry officials, believes that the problem is far-fetched, since no evidence has been presented to this day.

As for the new building of the Soviet embassy in Washington, the Soviet side is willing to move to it any time, even if it has proven that the building is bugged. Solution to this issue continues to be delayed even though during bilateral consultations the Soviet side agreed to give the Americans full freedom of action in regard to their building in Moscow. The U.S. worked out plans connected with some changes in the building's structure, but Congress has taken no decision on this score yet. The Soviet Foreign Ministry spokesman interviewed by DP's [Diplomatic Panorama] correspondent said he hopes that the two sides will succeed in breaking the deadlock in the near future after all.

China

Talks on Border Issues Held in Beijing

LD0907151491 Moscow TASS in English 1244 GMT 9 Jul 91

[By correspondent Konstantin Toporkov]

[Text] Beijing July 9 TASS—The fourth round of talks between the Soviet Union and China on mutual reductions of armed forces and confidence-building measures in border areas were held in Beijing from June 13 to July 8.

The sides discussed in detail the future agreement on the entire range of issues concerning reductions.

They discussed components and categories of [word indistinct] and hardware to be reduced, the agreement's territorial aspects and verification and confidence-building measures.

The talks, held in a traditionally constructive and businesslike atmosphere, helped deepen mutual understanding.

The Soviet delegation led by special envoy G.V. Kireyev was received by Colonel General Xu Xin, deputy chief of the Chinese General Staff, and Jiang Enzhou, assistant to the Chinese foreign minister.

At the invitation of the Chinese Defence Ministry the Soviet delegation toured the Shenyang Military District.

The sides agreed to hold the next round of talks in Moscow this autumn.

'Key Provisions' Discussed

LD0907220891 Moscow TASS International Service in Russian 0430 GMT 9 Jul 91

[By TASS correspondent Konstantin Toporkov]

[Text] Beijing, 9 Jul (TASS)—From 13 June to 8 July this year in Beijing, the fourth round of talks between the USSR and PRC on mutual reduction of armed forces and confidence-building in the military field on the Soviet-Chinese border was held.

The sides discussed in detail the key provisions of the future agreement on the set of questions and categories of the armaments and military equipment being reduced, on the territorial aspects of the agreement, and on measures of verification and trust. The talks, which were held in the traditionally constructive and business-like atmosphere, deepened mutual understanding.

The USSR delegation, led by G.V. Kireyev, special envoy of the USSR Foreign Ministry, was received by Lieutenant General Xu Xin, deputy head of the General Staff of the Chinese PLA [People's Liberation Army]; and Jiang Enzhu, assistant to the PRC foreign minister.

At the invitation of the PRC Defense Ministry, the Soviet delegation made a fact-finding trip to Shenyang military district.

The sides agreed to hold the next round of talks in Moscow in the autumn of this year.

Commentator Hails Results

OW1107104791 Moscow Radio Moscow in Mandarin 1400 GMT 10 Jul 91

[Kondratyev commentary; from the "Current Events and Commentaries" program]

[Text] The Soviet Union and China held their fourth round of talks in Beijing on mutual reduction of military forces in the Soviet-Chinese border areas and on confidence-building in the military field. In the course of over two years of frequent and vigorous contacts in various aspects between the two countries, such talks seem very routine. Kondratyev, our station commentator, however, holds a different view: I believe that behind these seemingly ordinary talks positive, good, and tremendous changes in Soviet-Chinese relations and in the entire Asia-Pacific region are taking place. To prove this, I will mention some facts. Not long ago, both Moscow and Beijing seemed to be centers of all sorts of possible debates between the two countries. On the Soviet-Chinese border issue, however, words were turned into deeds, and the Soviet-Chinese border areas became dangerous zones of military confrontation between two powers with nuclear weapons. Therefore, the efforts of Moscow and Beijing in recent years to create an atmosphere of trust along the border were satisfactory. This issue was noted in the Soviet-Chinese communique, which was signed during Gorbachev's visit to China in 1989. A year later, the issues dealt with in the communique were supplemented by the Agreement on Mutual Reduction of Military Forces in the Soviet-Chinese Border Areas and Guiding Principles of Enhancing Trust in the Military Field.

The recent round of talks in Beijing indicates that this agreement is being implemented; that is, both sides are reducing the number of their troops stationed on the border and moving them to their respective territories. The border line itself was also defined.

When Chinese leader Jiang Zeming visited Moscow in last May, both sides signed the Treaty on the Eastern Section of the Soviet-Chinese Border. Now, an atmosphere of friendship, peace, and cooperation prevails over the Soviet-Chinese border again. It should be noted that the USSR and the PRC are the first countries in Asia to take measures to ease the military situation in border areas. Conceivably, they have set a good example for other countries in the region.

Article Views Evolution of CPC Thought

PM1107081391 Moscow IZVESTIYA in Russian 3 Jul 91 Union Edition p 6

[Yu. Savenko article: "CPC's 70th Anniversary: Trial by Authority"]

[Text] Beijing—"The Communist Party has withstood the test of success and failure, ebb and flow, favorable and unfavorable circumstance and has proved that no disasters can destroy it," Jiang Zemin, general secretary of the CPC Central Committee, said in a lengthy speech to mark the 70th anniversary of the CPC's formation.

The general secretary described the changes that have taken place in the years of the movement toward progress headed by the Chinese Communists. In his view, accumulated experience attests to the fact that fundamental Marxist principles will inevitably be combined with the concrete realities of the Chinese revolution and national development. China will go its own way to socialist modernization, Jiang Zemin noted. The economy is the main issue, everything must serve it. He acknowledged that socialism is experiencing serious failures in the world. But, in his view, that is only a temporary historical phenomenon. Difficulties and failures cannot halt the development of socialism.

What problems face the 50-million-strong party today at this most difficult and possibly critical phase in its history? The ruling party has no intention, after all, of sharing power with anyone. "Devotion to the socialist path, the leadership of the party, the dictatorship of the proletariat, Marxism-Leninism, and Mao Zedong's ideas are constitutional principles."

The CPC leadership has stated once again: It rejects a Western-style multiparty parliamentary system, pluralism in cultural development is unacceptable, the leading role of social ownership is sacred, and class struggle will exist in some spheres of Chinese society for a long time to come. There are still forces abroad hatching plans for the "peaceful evolution" of China, wanting to turn it toward capitalism by nonviolent methods from outside and from within. However, "socialism alone will save China—history has proved that."

Ahead lies the difficult road of achieving by the year 2000 the level of the "society of small-scale prosperity" envisioned by Confucius—the great thinker whose ideas have formed the foundation of the Chinese world outlook and culture. The world is becoming multipolar, its spectrum is developing more and more hues, and in China too the market will generate pluralism.

The Communist Party itself is at a critical juncture—one generation is about to give way to another. The 14th party congress next year may, in observers' opinion, outline major cadre changes.

The purity of party ranks, the struggle against moral decay, bribery, and use of influence for one's own ends in China have been assigned to the category of matters of "life and death for the party." The tragic events on Tiananmen Square two years ago spurred on more practical actions against corruption. Over the last two years roughly 300,000 people have been expelled from the party, mostly for the abuse of power and economic crimes. However, purity in the party ranks also presupposes unanimity, especially regarding the phenomenon of "bourgeois liberalism."

Let me point out several other aspects that people have begun to notice over the last two years: the emphasis on stability and continuity in politics and smoothing out the sharp edges in history. This has been particularly manifest in the desire to revive if not the cult then the prestige of Mao Zedong. Whereas previously people said: Deng Xiaoping rectified the mistakes made by Mao Zedong, who placed excessive stress on the class struggle and underestimated the development of productive forces. The stress is different now: Deng Xiaoping's policy constitutes the development of Mao's ideas in new historical conditions.

There has been a swing toward more rigid ideologization and a class approach. The spirit of self-sacrifice and an unassuming life is being revived. The slogans of the revolutionary years are being heard once more. But the selfless heroes of that period were not only satisfied with little, but were also notable for their obedience. The reform era that aroused interest in the individual inevitably generates enterprising people. A conflict develops between individualism and collective consciousness, ideological sterility and economic openness. The resolution of these problems is yet another test for the ruling party, solemnly celebrating its 70th anniversary.

Dalai Lama Arrives for Religious Festivities

LD1007165191 Moscow TASS in English 1640 GMT 10 Jul 91

[By correspondent Sergey Petukhov]

[Text] Moscow July 10 TASS—The Dalai Lama arrived in Moscow today at the invitation of the Buddhist board of the USSR to attend festivities marking the 250th anniversary of Buddhist faith in Russia in Ulan Ude, Baikal region.

The Dalai Lama will stay in the Soviet Union until July 30 and will conduct religious ceremonies in the Russian Federation's buddhist centres of Ulan Ude, Aginskoye and Elista.

Meetings with Moscow public have also been scheduled.

The spiritual and secular leader of Tibet, enthroned in 1941, has lived in exile in India since 1959. In 1959, his peace efforts won him the Nobel Peace Prize.

Northeast Asia

Third Stage of Mongolian Withdrawals Begins

LD0907062791 Moscow All-Union Radio Mayak Network in Russian 1930 GMT 8 Jul 91

[Text] Teriel Lordkipanidze, our correspondent in Mongolia, describes the start of the third stage of the withdrawal of Soviet troops from that country. He met a Mongolian deputy minister of defense.

[Lordkipanidze] The third stage of the withdrawal of Soviet troops from Mongolian territory has started, said Major-General Luvsangiyn Purevdorj, deputy minister of defense of the Mongolian People's Republic. The protocol of the joint agreement envisages a precise timetable for the withdrawal. The combat troops will depart during the current year of 1991. In 1992 units ensuring the removal of material resources will depart. The Soviet troops have been serving in Mongolia at the request of our government, said Luvsangiyn Purevdorj. This was necessitated first and foremost by tension on the country's southern borders. Now, when a policy of detente and peace has become a reality and when an atmosphere of trust and mutual understanding between neighboring countries is gaining in strength, the need for the presence of Soviet troops is decreasing. Trains carrying Soviet soldiers and their military equipment are heading for their homeland, said General Purevdorj, but cooperation between our armies will continue to develop and gain in strength.

The station of Choyr, from where I am making this report, is situated on the railway line between Ulaanbaatar and Beijing. Here the Soviet servicemen built themselves a townlet in the eastern Gobi Desert. Here in Choyr they performed their service. The time for farewells has arrived. The soldiers and the families of the soldiers are leaving. The townlet which is well equipped and comfortable will remain. Here are a few figures, as they say, for statistical purposes. Since the start of the withdrawal of Soviet troops, 11,692 two-and three-room apartments, 17 schools, 60 clubs, and 59 hospitals and clinics have been presented to the Mongolian people.

Symposium on Soviet-Japanese Relations

PM1007143991 Moscow PRAVDA in Russian 4 Jul 91 Second Edition p 1

[TASS-RIA item from roundup of news agencies reports under the general heading "Around the Country"]

[Text] An international scientific symposium started its work in Vladivostok yesterday. Its topic is "Soviet-Japanese Relations and the Asia-Pacific Region After USSR President M.S. Gorbachev's Visit to Japan." Scientists and specialists from Moscow, Vladivostok, the Japanese Institute for the Development of Joint Research, and the university centers of Osaka and other Japanese cities are taking part in the symposium.

Committee Aide on Drop in Supplies to DPRK

PM1007100991 Moscow IZVESTIYA in Russian 6 Jul 91 Union Edition p 6

[Letter from A.S. Adomaytis, deputy chairman of the State Committee for Light Industry, under the "From International Departments' Mailbag" rubric: "Forced To Cut Deliveries"]

[Text] We have examined V. Lukashin's article published in IZVESTIYA No. 46 under the headline "Goslegprom (USSR State Planning Commission State Committee for Light Industry—Editorial Note) 'Strategists,'"

which said that our enterprises are wrecking shipments of raw materials and spare parts to the DPRK, as a result of which in 1990 alone the Soviet Union failed to receive sewn goods worth 100 million rubles [R] from this country. We report the following.

Under the 16 December 1986 USSR-DPRK intergovernmental agreement on cooperation in the sphere of production of light industry goods in 1987-1990 and for the period through the year 2000 DPRK enterprises produce finished articles from customer-supplied raw materials for shipment to the USSR.

Under the program that has been agreed and the aforementioned agreement 92 million sewn and 3.7 million knitted articles worth R363 million at retail prices were shipped to the USSR in the period 1987-1990. As a result of the reorganization of USSR central light industry organs the sector's enterprises were given the right to autonomous economic activity.

In 1990, owing to the prevailing unfavorable situation with regard to raw material supplies for USSR light industry enterprises, plus the corresponding USSR Council of Ministers resolution, and the USSR presidential decree on switching to a new mechanism for transactions between the USSR and foreign countries, USSR light industry enterprises were forced to cut shipments to the DPRK of spare parts for the production of finished articles via production sharing.

Goslegprom constantly monitors the Soviet side's fulfillment of its pledges under the 16 December 1986 intergovernmental agreement and takes the appropriate steps to resolve issues that arise with regard to light industry enterprises' shipment of customer-supplied raw material and semimanufactures to the DPRK.

Goslegprom is working to revise the above intergovernmental agreement with a view to continuing production sharing in order to saturate the USSR consumer market with light industry goods, coordinating realistic annual production volumes with the Korean side.

Near East & South Asia

Bangladesh Foreign Minister Arrives

Meets Bessmertnykh

PM1107104991 Moscow PRAVDA in Russian 11 Jul 91 Second Edition p 4

[TASS report: "Soviet-Bangladeshi Talks"]

[Text] On 10 July talks took place between USSR Foreign Minister A.A. Bessmertnykh and Mustafizur Rahman, foreign minister of the People's Republic of Bangladesh, who is in Moscow on an official visit.

There was a thorough exchange of opinions on topical questions of world political and Soviet-Bangladesh relations which passed in an atmosphere of mutual understanding and cordiality. The talks demonstrated the proximity or coincidence of the positions of the USSR and Bangladesh on fundamental questions of the present and created good prerequisites for the two countries' collaboration in the international arena.

The ministers noted with satisfaction that thanks to the philosophy of the new thinking a clear trend toward the gradual strengthening of the atmosphere of trust has been seen recently.

On the broad plane there was an examination of the situation in the Asian and Pacific region. In the sides' opinion, the emergent integration of East and West can substantially influence the political climate in Asia and help the dissemination of new confidence-building measures on the continent in the interests of overcoming confrontation and resolving vexed and conflict situations at the conference table. But the definitive formation of the new political landscape in the Asian and Pacific region will depend primarily on the Asian states themselves.

Voicing satisfaction at the mutual understanding achieved on the political level, the sides expressed themselves in favor of activating mutually advantageous bilateral cooperation.

Lays Wreath at Tomb

LD1007132791 Moscow TASS in English 1235 GMT 10 Jul 91

[Text] Moscow July 10 TASS—Visiting foreign minister of the Peoples' Republic of Bangladesh A.S.M. Mostafizur Rahman laid wreaths to the Lenin Mausoleum and on the Unknown Soldier's Tomb by the Kremlin Wall.

Paris Conference on Mideast Arms Control Viewed

LD0807213191 Moscow Radio Moscow World Service in English 1210 GMT 8 jUL 91

[Commentary by Yuriy Solton]

[Text] In Paris experts of the five permanent United Nations Security Council member nations are discussing on Monday and Tuesday the problem of limiting arms sales to countries of the Middle East. Will the arms exports be reduced? Our commentator Yuriy Solton's opinion.

For the first time since 1945 representatives of Great Britain, China, the USSR, the United States, and France have gathered to work out rules of this quite profitable trade. Their share in the arms supplies to the Middle East has been 85 percent in the past few years, and not only with modern arms but also with technologies that

enable the recipient countries to manufacture themselves nuclear, chemical, and bacteriological wepaons. Israel and Iraq have made the fastest progress in this area.

The Persian Gulf war, during which Iraq threatened to use weapons of mass annihilation, has shown how dangerous it is to arm regimes that have plans for expansion. Strong calls have been made about a need for strict international control over arms exports, and there's been more than calls. The Soviet Union has proposed putting up a barrier to the spreading of weapons of mass annihilation in the region. Moscow believes it is necessary to have a balanced reduction in the supplies there of all arms, first of all of missiles and launchers. President Bush has urged the main arms exporters to collective self-restraint. He offered setting up international control over arms sales by exchanging appropriate information, but he made a reservation at once by stressing that his country would keep supporting the legal right of every state to self-defense. Analysts find this means that Washington reserves the right of uncontrolled sames of arms to those countries it chooses itself. Israel is meant above all, which a few days ago asked the United States to increase military aid to it by 40 percent.

What is the position of the other big powers? France advocates the extension to all regions of the world of the new rules about the spreading of arms. It also wants the limitations to affect civilian technologies that can be used for arms production. Britain believes a responsible approach must be made so as not to harm the lawful interests of the British arms exporters. China put forward a plan of limitation that would cover all the countries and all types of weapons, stressing the fact tht the disproportions in the amount of arms in different Middle Eastern countries create a serious threat to peace.

As we can see, the stand of the five main arms exporters largely coincide, but they are also different on many points. One can hope that common sense will take the upper hand, both over the desire to maintain the growing profits from arms sales and over political calculation. Of course, it would be naive to think that the arms sales will be greatly reduced in the foreseeable future, but it is necessary to have strict international control, possibly under United Nations auspices. It is important that precisely the five permanent UN Security Council members have started talks on working out the mechanism for this control.

Officials Comment on Afghanistan Situation

OW1107052691 Moscow INTERFAX in English 1530 GMT 10 Jul 91

["Diplomatic Panorama" report by Mikhail Mayorov and Igor Porshnev: "Perez De Cuellar's Plan Might Give a New Impetus To The Settlement in Afghanisan"; transmitted via KYODO]

[Text] The Afghan theme has usually been present at Soviet-American talks on all levels, said officials at the South-West Asia department of the Soviet Foreign Ministry on the eve of Thursday's meeting between A. Bessmertnykh and J. Baker in Washington. The plan suggested by the U.N. Secretary-General Perez De Cuellar might serve as a new impetus for resolving the regional problem. Its 5 points are concordant with proposals put forward by the Soviet Union in its search for the ways to reach a settlement in Afghanistan. They were also backed by the U.S., Iran and Pakistan. Now the problem is to add concrete meaning to the major provisions of Perez de Cuellar's plan.

We support in particular the U.N. Secretary-General's provision as to the need to sign an agreement to be implemented simultaneously with the other agreed-upon transition measures. This involves an agreement that would provide or ending arms shipments to all Afghan warring sides. Perez de Cuellar's plan also points to the need to cease combat operations during the period of transition. However it's the question the conflicting sides in Afghansitan failed to agree on. Since the time when Kabul began to pursue its policy of national reconciliation it has persistently urged the armed opposition to cease fire. So far the mujahedin have refused to do so.

The Afghans themselves should resolve the problems of their internal settlement, said a diplomat from the South Asia department. The U.N. Secretary General's plan aims to induce the Afghans to enter into a dialogue. Besides, it provides for conducting free elections in Afghanistan with a view to forming a broadly based government. We believe that the nature and structure of such a government should be decided by the Afghan people themselves by means of a free expression of their will.

As for President Najibullah, Soviet diplomacy proceeds from the asumption that no one has the right to demand that he resign, the more so as he has repeatedly said that he has no claims on a monopoly of power, that he is willing to agree with any outcome of free and democratic elections.

Lately the Soviet foreign ministry maintained contacts with its Pakistani counterpart on the issue of Afghan settlement. During such contacts Islamabad declared its preference for a political, not military, solution to the Afghan problem.

Commentary on Change in Mojahedin Leadership

NC1007155991 Moscow in Persian to Iran 1430 GMT 9 Jul 91

[Commentary by Sergey Viktorov]

[Text] Dear listeners, we would like to draw your attention to a report published by the Iranian newspaper SALAM. Cites a diplomatic source in Islamabad, the report claims that Sebghatollah Mojaddedi, head of the provisional government of the Afghan mojahedin in Peshawar, will be replaced by his colleague Mohammad

Nabi Mohammadi in the near future. The Iranian newspaper believes that this move will come about as a result of Mohammadi's close relations with former Afghan King Mohammad Zaher, who now lives in exile, and other officials of the monarchy. Moreover, SALAM links the imminent change in the provisional government's leadership with the West's efforts to achieve a political solution to the Afghanistan problem and believes that this solution may be found within the framework of the UN plan on Afghanistan.

Before commenting on this report, we should first note that it may be totally without foundation. There are so many rumors and contradictory reports about the activities of the mojahedin government in Peshawar that a certain degree of skepticism is required. Nevertheless, if such a development does indeed occur, then we must ask ourselves whether a change in the higher echelons of the mojahedin leadership will lead to a change in its views, particularly those on a political solution to the Afghanistan problem.

As for Mohammad Nabi Mohammadi personally, he has long been considered a moderate among the seven leaders of the Afghan opposition and much has been said about his pragmatic approach. He is indeed close to the former Afghan king, but his group's position on a political solution is not much different from the general negative approach taken by the other opposition groups. Therefore, there is no reason to believe that his views on a political solution to the Afghanistan problem, and particularly on one within the framework of the well-known UN plan, will change suddenly or markedly should he become the new leader of the provisional government.

Meanwhile, Hojjat ol-Eslam Mortazavi, who represented the Iran-based mojahedin during recent talks in Pakistan and who has expressed support for the UN plan, made no mention of this plan in particular or a political solution in general when he met recently with Iranian Deputy Foreign Minister Borujerdi.

I believe, however, that it is possible that the the mojahedin's negative position may be reviewed. After all, the mojahedin's present and future leaders have no alternative but to consider the international community's support for a political solution to the Afghanistan problem.

Foreign Ministry Official on UFLA Incident

OW1107061791 Moscow INTERFAX in English 1530 GMT 10 Jul 91

[From the "Diplomatic Panorama"; transmitted via KYODO]

[Text] The News agencies PTI and UPI report with reference to a spokesman for the Indian extremist grouping "United Front for the Liberation of Asam" (UFLA) that the Soviet specialist Sergey Grischenko taken hostage by UFLA militants on July 1 "was killed when trying to escape".

"We did all we could to free the Soviet specialist and ensure his life and safety", declared Oleg Ivanov, deputy chief of the Soviet Foreign Ministry's South Asia department. As soon as the Soviet citizen was abducted, he told DP's [Diplomatic Panorama] correspondent, members of the Soviet Consultate General in Calcutta went to Assam's capital Hubati. At the same time India's government appealed to the government of Assam state. Assurances were given, even on the level of the country's prime minister Narasimha Rao, that all in human power will be done of free S. Grischenko. The government of Assam state released 2 UFLA ringleaders and amnestied 560 UFLA militants. In short, all conditions were met for freeing 14 hostages, the Soviet specialist among them. Therefore it's hard to say what really happened, said O. Ivanov.

Acording to O. Ivanov, at the time of his talk with DP's correspondent there was no official confirmation as to S. Grischenko's death yet. All the possible versions are under investigation. According to one of them, the Soviet specialist was killed earlier, on July 7, before the agreement on freeing hostages was reached.

The Soviet Foreign Ministry got in touch with its ambassador to India and asked him to demand that the Indian government carry out a most careful investigation of what had heappened.

The safety of the other 2 Soviet specialists (an engineer with his family and a translator) working at the "Mandarina" coal mine in Assam is ensured, the diplomat said. there is no threat to the Soviet specialists working in other Indian states, said O. Ivanov.

India's Rao Thanks Pavlov for Congratulations

PM0907104791 Moscow PRAVDA in Russian 3 Jul 91 Second Edition p 4

[Message from Indian Prime Minister P.V. Narasimha Rao to Prime Minister V.S. Pavlov; date not given]

[Text] To His Excellency USSR Prime Minister V.S. Pavlov

Your Excellency,

I thank you for your congratulations on my appointment as India's prime minister and on my 70th birthday. Soviet-Indian relations have always brought our peoples mutual benefit, are characterized by traditional friendship and warmth, and are growing stronger amid close cooperation and mutual understanding. The government that I head is making every effort to further consolidate joint bilateral ties and also our cooperation in the international arena.

P.V. Narasimha Rao.

Foreign Ministry Considers Israeli Offer

OW1007235491 Moscow INTERFAX in English 1200 GMT 9 Jul 91

[From the "Diplomatic Panorama"; transmitted via KYODO]

[Text] Israeli Prime Minister Yitzhaq Shamir has announced Israel's readiness to enter into direct negotiations with the Arab states and Palestinians in the West Bank and Gaza without prelimiary conc.tions.

Asked to comment on the announcement, Soviet Foreign Ministry officials told DP [Diplomatic Panorama] reporter "it deserves thorough consideration," yet maintained it hardly signalled a radical change in Israel's unwillingness to establish contact with PLO representatives. Under the Israeli law, any citizen found to have met with PLO members may face imprisonment.

Soviet Foreign Ministry officials said the announcement may be just another attempt by Israel to isolate the PLO from negotiations and deal with those Palestinians who are prepared to tow the line.

Report on Pilgrimage to Mecca

OW1107053891 Moscow INTERFAX in English 1530 GMT 10 Jul 91

[From the "Diplomatic Pamorama"; transmitted via KYODO]

[Text] According to the latest data received by DP's [Diplomatic Panorama] correspondent at Moscow's Islamic Cultural Centre, this year 4475 Soviet Muslims went on a pilgrimage to Mecca. This number almost trebles the one registered last year. Previously no more than 30 people performed the hajj annually.

According to Abdulwahid Niyazov, coordinator of Moscow's Islamic Cultural Center, this year most pilgrims were from Central Asia. As for the Tatars and Bashirs whose communities are under the jurisdiction of the Religious Council of Muslims in the European part of the USSR and Siberia, the pilgrims numbered only about a score of people. "This sparked discontent among Tatar and Bashkir believers", said A. Niyazov. He said the reason for this was an increase in the cost of the pilgrimage this year.

In Central Asia this year's hajj cost 36 thousand roubles [R], in the European part R30,000 and in the Caucasus R25,000 against R5,000 last year. This triggered serious unrest in Dagestan and some areas of Central Asia.

As DP learned at the press center of Uzbekistan's popular movement "Birlik" (Unity), the Saudi authorities acused the leadership of some religious councils of unlawful activity for putting on sale Koran books agiven by Saudi Arabia as a gift and meant for free distribution among Soviet Muslims.

According to the leader of the Islamic Revival party Ahmad Kadi Aktayev, that was a major reason why Mufti Muhammad Sodik, chairman of the Religious Council of Muslims in Central Asia, was dismissed on July 5, spokesmen for the local Muslim communities decided that his duties will be temporarily performed by Abdulaziz Mansurov, leader of the Islamic jurisprudence department.

As the coordinator of Moscow's Islamic Cultural Center A. Niyazov pointed out, the final results of Hajj-91 are to be summed up yet. nevetheless the main conclusion is clear; prepartions for next year's pilgrimage should begin without delay.

East Europe

Talks Held on Troop Withdrawal From Poland

LD1007133191 Moscow TASS in English 1238 GMT 10 Jul 91

[Text] Warsaw July 10 TASS—Another round of Soviet-Polish talks on the pull-out of Soviet troops from the Republic of Poland and other related issues took place in Warsaw between July 9-10.

During the talks, held in a constructive atmosphere, the delegations discussed all key issues connected with determining the timeframe of troops withdrawal, including the pull-out of combat units, settlement of property issues, and transit of Soviet troops through Germany.

The sides have agreed to report the results of this round to their leaderships and continue talks shortly.

Report on Gorbachev Meeting With Albania's Islami

PM1107094391 Moscow PRAVDA in Russian 8 Jul 91 Second Edition p 1

[TASS report: "USSR President Receives Chairman of Albanian Parliament"]

[Text] On 6 July M.S. Gorbachev met with Kastriot Islami, chairman of the Albanian People's Assembly and head of a parliamentary delegation which is in the USSR at the invitation of the USSR Supreme Soviet.

Islami handed over a message of reply from Republic of Albania President R. Alia. The exchange of messages has consolidated the shift in Soviet-Albanian relations toward the revival of friendly and amicable [dobrozhelatelnyy] relations and mutually useful cooperation on a new basis and in the new conditions in the world and in Europe. This shift will be internationally and legally enshrined in a political treaty between the USSR and Albania and in a trade and economic agreement whose signing is timed to coincide with the Albanian president's upcoming visit to the Soviet Union.

Gorbachev and Islami had a frank and amicable [druzhelyubnyy] conversation.

Nikiforov Receives Albanian Delegation

LD0607112191 Moscow TASS in English 1438 GMT 6 Jul 91

[By correspondent Rostislav Gertsev]

[Text] Moscow July 5 TASS - An Albanian parliamentary delegation, led by Chairman of the Board of the Popular Assembly of Albania Kastriot Islami, is staying on an official visit in the Soviet Union at the invitation of the Soviet parliament. Today it was received at the Soviet Foreign Ministry.

During the conversation with Deputy Foreign Minister Valentin Nikiforov they discussed a wide range of issues dealing with Soviet-Albanian relations, as well as international problems. Albanian parliamentarians were informed of the main spheres of activities of the Soviet Foreign Ministry.

Joint Helicopter Venture With Hungary Reported

PM1007154991 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 5 Jul 91

[By V. Fadeyev and T. Avtandilyan; from the "Vremya" newscast]

[Text] The Kazan Helicopter Plant and the Hungarian "Intertraverz" [name as transliterated] joint-stock company have displayed an air ambulance helicopter in Budapest. It is the product of joint efforts on the part of designers and developers in the two countries, as well as being a result of enterprise between Soviet and Hungarian businessmen. The following is a report from our correspondent.

[Fadeyev] Outwardly the Mi-17 is hardly distinguishable from its famous stablemate—the Mi-8. But since it is an air ambulance the interior is very different. Dangerously ill and severely injured people can be carried in its three beds. The cabin has room for up to 20 people plus the doctors' equipment. The medical equipment and instruments are mostly Hungarian, but some items have been supplied by famous Western firms—the Japanese-made power plants, for instance. At this juncture I should mention the advantages of entrepreneurial activity. It is no secret that foreign exchange is hard to come by at the moment—both for us and for our Hungarian partners. So the plant leadership had to find a way, in this instance, an organization which could buy abroad the kind of equipment that isn't produced in our country. The local firm of "Intertraverz" accepted the challenge. [Video shows Otto Khuber, surname as transliterated, chairman of the "Intertraverz" Board, identified by caption. Khuber's comments dubbed over by Fadeyev.] As a royalty payment for our services, Doctor Khuber said, we found ourselves owning a helicopter we basically didn't need. It's only by selling it that we can settle up for the delivery and repair of our equipment. If the aircraft proves popular, of course, we'll make good money. But for the time being we're proud of having been able to convince the skeptics. Even now, at a time when Soviet-Hungarian trade is in crisis and there's a lot of confusion, it's possible, with goodwill on both sides, to preserve the economic base that has been built up over decades.

The first batch of six helicopters are ready and have been tested. Now it will be a question of manufacturing them. After all, if we had had them back in December 1988 during the terrible earthquake in the Armenian town of Spitak, many more lives could have been saved.

Romania's Iliescu Comments on Domestic Issues

PM1007133591 Moscow NOVOYE VREMYA in Russian No. 25, Signed to Press 18 Jun 91, pp 26-27

[Interview with Romanian President Ion Iliescu by correspondent S. Svirin; date and place not given: "Ion Iliescu: 'Views Don't Change Overnight'"]

[Text] The opposition marked the first anniversary of the accession of Ion Iliescu to the post of president of Romania with strikes and protest demonstrations against the head of state. The president is not, however, losing his optimism. The process of democratization is irreversible—that is the basic theme of the interview which he gave to NOVOYE VREMYA correspondent Sergey Svirin.

[Svirin] You were once at the top of the party apparatus hierarchy, then you were "demoted to private." You took part in the revolution and created the National Salvation Front [NSF]. You are now president of the republic. What does overcoming the past mean to you personally? What are your political views today?

[Iliescu] A change in philosophical outlook and thinking can be a very complex process for people. Views and convictions cannot change overnight. Those who maintain that they were instantly transformed are either insincere or simply opportunists. A change in people's thinking, perception, and actions depends on a complex process bound up with changes occurring in the socioeconomic sphere. This applies to me too. After the upsurge in Romania's political life in the sixties when, thanks to the adverse attitude adopted over the intervention in Czechoslovakia, the popularity of the Romanian regime and its then leaders rose, I became a (not always silent) witness of the incipient process of decline. This produced a critical attitude toward me, which led to my removal from political life. Gradually I moved from rejection of the Ceausescu regime to repudiation of the whole absurd system.

You want to know what my current political views are. It is not easy to give a definitive answer. I do not want us to replace one dogma with another, we should get rid of all dogmas and all preconceived ideas and blueprints. Political thinking should be based on reality and a course which meets the modern requirements of socioeconomic

development and keeps pace with the dynamics of technical progress placed in the service of society. The world of ideas is in constant flux. It is diverse and has a multitude of specific manifestations in different countries. However, I do consider myself close to the left tendency in social democracy.

[Svirin] The events in Romania in December 1989 were stained with blood. Did the democracy of which the Romanian people dreamed come to pass as a result?

[Iliescu] The democracy established in Romania is irreversible. The fact that we had to pay for it with human lives is painful. Unfortunately, in our country the renewal processes within the former system were impossible. As society entered deep crisis the totalitarian repressive regime rendered these proceses unrealistic. This determined the violent character of the popular explosion which led to the instantaneous overthrow of the old structures of power. However, democratic institutions could not appear instantly. December 1989 saw the start of a difficult and complex period marked by clashes and unrest. The democratic institutions now operating—parliament, the institution of the presidency, the multiparty system, and freedom of the press, trade unions, and religion—were only possible after the elections of 20 May 1990. In the economic sphere you have a process of switching to a market economy and restoring private ownership, particularly in the countryside, as well as in other production sectors and the spheres of services and trade. The liberalization of prices and wages has been carried out and the banking and financial systems are being reorganized. So these constitute perhaps substantial reasons for thinking that, in spite of certain difficulties, the requisite conditions for democracy have taken shape in Romania.

[Svirin] What, in your view, are the prospects like for the development of democratic processes in Romania and what role should the political opposition play in this?

[Iliescu] Bearing in mind the past, it can be said that we have made a genuine leap forward. The new constitution and the new legislative and legal system adopted by parliament and the implementation of economic reform will serve to boost the process of democratization of the country and rapprochement with countries with democratic traditions. I think everyone wants this process to be as quick as possible and to be accompanied by the minimum of difficulties. The parliamentary opposition has an important role to play in this respect. According to the definition, opposition means both rejecting and providing an alternative to that which is rejected—that is to say, a constructive stance. I personally think that very many problems can be solved on the basis of dialogue. We have started such dialogue, but unfortunately I cannot say that it has been accepted by everyone. The opposition is showing intransigence, which is not essentially so bad. However, in most cases it does not progress, as a rule, beyond criticism. For example, the intention of forming a government of national unity remains today. But part of the opposition has refused to take responsibility, since at the present difficult time, particularly from the economic standpoint, that would mean putting its popularity at risk by implementing a number of painful but essential measures. The door for dialogue remains open. And interest in the constructive opposition also remains.

[Svirin] You are one of the NSF's founders. How do you see the NSF's activity at this stage?

[Iliescu] It is one of my functions as the country's president to serve as a balancing factor, as a go-between in political life. I am no longer therefore a member of the NSF. But I do, off course, keep track of the ruling party's evolution. The NSF has undergone and is going though a number of inevitable transformations linked to progress in the development of democratic life. The recent NSF National Convention determined the outlines of our political option and ideology and adopted Statutes. All this was received by people in different ways: Hence a number of regroupings with regard to the new guidelines. And it will be perfectly natural if cooperation and dialogue begin to develop as part of this process. I hope that this will be so. After all, since the NSF won the majority of seats at the election it has borne responsibility for running the country during this difficult transitional period. And some unavoidable steps have perhaps reduced the Front's popularity, but that is the risk which has already been mentioned. Future policy and particularly the results of it will determine the NSF's role in the country's political life.

[Svirin] Let's now switch to foreign policy and that sphere of it which most interests our readers—Romanian-Soviet relations. In the past there existed a certain enmity bound up with Soviet backing for Ceausescu.

[Iliescu] Relations between our countries have long traditions. It has, however, to be said that they have not always really been sincere, because they were dependent on short-term considerations. Today, despite some critical assessments by different political forces, the majority of the population is aware of the need for cordial, good-neighbor relations with our great eastern neighbor. I think that it is possible, rather than talking about enmity, to talk about certain feelings bound up with the past, but far from just bound up with the support given Ceausescu.

[Svirin] Clearly, however, difficulty in our relations is inevitable. For example, there is talk of a single state in Kishinev and Bucharest.

[Iliescu] The talk about Moldova or, to be more precise, Bessarabia, and recently about Bukovina too have historical roots. It is possible that history will reveal to us ways of tackling the problems of these ancient Romanian territories. Romania's links with the Republic of Moldova are not just determined by history, culture, and language, but by blood ties and kinship too. That is why we have advocated close relations on both the cultural and economic plane. As far as borders are concerned,

Romania signed the Helsinki Final Act and the Paris Charter and intends to abide by them.

Stirring up passions over Moldova will benefit neither side. In politics actions are determined by reason and realism rather than feelings. Although feelings cannot be ignored.

[Svirin] In one of your first speeches as leader of the National Salvation Front [NSF] you spoke of great opportunities for developing Ronmmanian-Soviet relations. Have your views changed in the light of the political processes currently under way in the Soviet Union?

[Iliescu] I reaffirmed this opinion during my visit to the USSR at the start of April. The changes taking place both in Romania and the USSR determine the need to put relations between our countries on a new footing. The treaty we signed created a good basis for this. The treaty stems from the transformations which have occurred both in our countries and throughout the continent of Europe. It enshrines the new character of relations based on complete equality and respect for the mutual interests of both countries in accordance with the existing realities and the principles of international law embodied in the UN Charter, the Helsinki Final Act, and the Paris Charter. The joint work by experts engaged in drafting the treaty lasted almost one year. Wording acceptable to both sides was found as a result. It is necessary to proceed like this both when expanding ties and tackling certain problems which may arise. We hope for a favorable development of the situation in the USSR. The USSR is, of course, now having to deal with a whole range of extremely complex phemomena. It is difficult, of course, to offer advice from the outside, and we do not intend to engage in such. We know for ourselves how difficult it is to find suitable solutions. We consider any steps toward democratization and the establishment of human freedoms and any steps designed to overcome crisis phenomena in the socioeconomic life of the Soviet Union and its constituent republics and to resolve existing situations of conflict to be useful for Romania too.

[Svirin] Time passes and preparation for the next elections to the Romanian parliament will start in the near future. Do you intend to take part as a presidential candidate?

[Iliescu] That depends on a whole number of factors. It is still too early to give any kind of answer.

West Europe

Further Reportage on Gonzalez Visit

Gonzalez on Soviet Reform

LD1007082191 Madrid RNE-1 Radio Network in Spanish 2200 GMT 9 Jul 91

[Excerpts] Today saw the conclusion of an important chapter in relations between our country and the Soviet Union. After the signing of the treaty of friendship and cooperation between the Governments of the Soviet Union and Spain, Mikhail Gorbachev and Felipe Gonzalez stressed this excellent turning point. Gorbachev asked Gonzalez for greater cooperation for the future and the Spanish prime minister promised to invest in perestroyka. Here is a report from our special correspondent in Moscow, Maria Jesus Chao.

[Chao] The current good juncture in Hispano-Soviet relations means that the official visit to the USSR by Prime Minister Gonzales and his wife has taken place in the utmost cordiality and absence of problems. At the joint news conference President Gorbachev described the visit as highly positive and he stressed how the changes, dramatic in some cases, experienced by both countries have affected bilateral relations. This has been overcome by the interest of the two peoples in coming together. [passage omitted]

In the opinion of Prime Minister Gonzalez, the visit has taken place at an extremely interesting time because of the internal Soviet situation and the international situation.

During the visit, juridical mechanisms have been set in motion to promote bilateral relations, such as the treaty of friendship and cooperation signed by the president and the prime minister, which establishes the holding of annual summits at the highest level. This will be complemented by direct consultations in case of conflict or emergency. This is the translation of the support which the Spanish government is offering for the changes initiated in the Soviet Union by President Gorbachev, changes which Prime Minister Gonzales considers of interest to everyone.

[Begin Gonzalez recording] The Soviet Union is a country and continent which is going to make a mark in one way or another on the international situation and on world relations. The most desirable thing is for it to make a mark on them in the best possible way, and that is by moving forward in the process of democratization, in the dual sense of democratization with respect for individual freedoms and democratization via the distribution of power among the different institutions, including the territorial institutions. [end recording]

Report on Meeting Pavlov Meeting

PM1007135591 Moscow PRAVDA in Russian 10 Jul 91 Second Edition p 5

[TASS report: "V.S. Pavlov's Meeting With F. Gonzalez"]

[Text] USSR Prime Minister V.S. Pavlov met with Spanish Premier F. Gonzalez, who is paying an official visit to the Soviet Union, 8 July. The conversation focused on an exchange of opinions on the political, economic, and social transformations in the Soviet Union, which F. Gonzalez described as unique and demanding that careful consideration be taken of the

country's specific features and conditions. He noted that the changes taking place in the USSR are of tremendous international importance, and people in Spain are therefore following with profound sympathy the course of Soviet reform, in particular the work to prepare the Union Treaty, since at this stage efforts to consolidate the country and find the optimum combination of rights and responsibility for the republics play, in his view, a crucial role for the success of the perestroyka policy.

The head of the Spanish Government was briefed on the elaboration of new principles for economic relations within the Union framework, on the progress made in carrying out the anticrisis program, and on the opportunities opening up for foreign partners in the Soviet market.

When discussing USSR-Spanish trade and economic relations, particular attention was devoted to promising avenues for wide-ranging mutually beneficial cooperation between the two countries. It was noted that power generation, the chemical industry, machine building, and the development of enterprises in the light industry, food, and other socially significant industrial sectors are among these avenues.

F. Gonzalez noted that the conclusion of a series of treaties and agreements between Spain and the Soviet Union and the accords secured in the sphere of credit and financial relations have created favorable conditions for Spain's business circles to operate more vigorously in the USSR.

The conversation, in which S.K. Romanovskiy, USSR ambassador to Spain, and J. Cuenca, Spanish ambassador to the USSR, took part, occurred in a warm and friendly atmosphere.

Foreign Minister Meets Shevardnadze

OW1007234991 Moscow INTERFAX in English 1530 GMT 9 Jul 91

[Transmitted via KYODO]

[Text] On a visit in the USSR Spain's Foreign Minister Francisco Fernandez Ordonez met on Tuesday at his own initiative with the former Soviet Foreign Minister Edward Shevardnadze who now leads the foreign policy association. The two met at the residence of the Spanish ambassador in Moscow. Ordonez came to the USSR in the framework of the present visit of Prime Minister Felipe Gonzalez.

During their meeting Ordonez and Shevardnadze were jointed by the head of the Spanish government Felipe Gonzaiez. They had a long and detailed conversation about the major problems of world politics, about the state of affairs in the Soviet Union and Spain, and about other issues of general nature.

IF's [INTERFAX] correspondent was told that Ordonez and Shevardnadze discussed a wide range of issues, such as European processes, bilateral relations, the domestic situation in the USSR.

Departure for Home

PM1007134391 Moscow PRAVDA in Russian 10 Jul 91 Second Edition p 5

[TASS report: "Departure From Moscow"]

[Text] Spanish Premier F. Gonzalez left Moscow 9 July, having completed the program for his official visit to the Soviet Union.

USSR President M.S. Gorbachev and his wife bade the guest and his wife a warm farewell in the Kremlin.

The send-off ceremony continued at Vnukovo Airport. F. Gonzales received the honors accorded by USSR state protocol to heads of foreign countries' governments.

The Spanish premier was seen off by USSR Foreign Minister A.A. Bessmertnykh and other officials.

Follow-Up on Gorbachev-Kohl Talks

Kohl 'Satisfied'

PM1007150191 Moscow PRAVDA in Russian 8 Jul 91 Second Edition p 5

[Dispatch by PRAVDA correspondent Ye. Grigoryev: "The Chancellor Promises Support"]

[Text] Bonn—Unprecedentedly, the Soviet-German summit meeting near the Ukrainian capital has not been the number one talking point here. After all, there are no unresolved acute problems between Germany and the Soviet Union, and the consultations envisaged by the new treaties are becoming the norm—genuine working meetings.

H. Kohl is very satisfied with his conversations with M.S. Gorbachev, with their frank, businesslike, and friendly atmosphere. People have been talking about this in circles close to the federal chancellor. People here think that the most important thing is that the federal chancellor assured the USSR president that he will come out resolutely in favor of the West taking the necessary measures to support reconstruction in the Soviet Union. After his meeting with Gorbachev, and on the eve of the London G-7 meeting, Kohl will get in touch by telephone with his partners in order to convince them that the course the reforms are taking is deserving of real support.

People in informed circles note that the chancellor intends to propose to the London meeting's participants that they at first accept the USSR into the IMF as an associate member, granting it a "special status." This would open up the possibility of receiving IMF credits to facilitate the reforms.

As far as bilateral issues are concerned, there is nothing here that could cause concern. All in all, after the conversations with Gorbachev, the chancellor is convinced that the "Seven plus One" meeting in London will be crowned with success, people close to the chancellor summed up.

Significance of Meeting Viewed

PM1007152391 Moscow PRAVDA in Russian 9 Jul 91 Second Edition p 5

[Aleksey Boldinyuk "Viewpoint" article: "Remember the Past, Think About the Future"]

[Text] The meeting between the USSR President and the FRG Chancellor near Kiev fell midway between two significant events—the 50th anniversary of the beginning of the Great Patriotic War and the London conference of the leaders of the seven industrially most developed countries. Although commentators' attention is focused virtually totally on the "London" aspect of the present talks, I think that the conversations in Mezhigorye have a far broader meaning than consultations on the eve of the G-7 conference. The theme of the London meeting occupied an important place in the conversations between M.S. Gorbachev and H. Kohl. But perhaps the talks in the town near Kiev have greatest significance for Soviet-German relations.

The working meeting of the two countries' leaders was due to take place at the time of the tragic anniversary of the fascist German attack on the USSR. But domestic political events—the vote in the Bundestag on the location of the future capital, an extraordinarily important question for the Germans—prevented the Federal Chancellor from leaving the country at that time. Thus the meeting in Mezhigorye was near to the time of the meeting in London. Helmut Kohl's visit demonstrated not only that the German people do not forget the past. The present talks clearly showed Germany's desire to think about the future, about the peaceful development of Europe, and about aiding the process of our country's integration in the world economy. The federal chancellor does not tire of talking about these aims of German policy at the most diverse international meetings. As for the Soviet Union, the best evidence of increasing collaboration may be the meetings between our countries' leaders, which have become far more frequent than two or three years ago.

It is no secret that in relations between the USSR and Germany there are questions requiring "personal diplomacy." Questions of the $7.5 billion allocated by the Federal Government to support the withdrawal of Soviet troops from the territory of the former GDR and the reduction in the volume of commodity exchange, a painful matter for both sides. Of course, the Federal Chancellor is also interested in how the Soviet Union uses the credits totaling $33.7 billion.

In present conditions it is quite difficult for Bonn to continue financial help on such a scale—for example, over 100 billion marks (almost $60 billion) have been allocated for the restoration of the east German economy alone from July last year to the end of this. Nevertheless, the Germans still intend to help the reforms in the Soviet Union, they would like to deal with a single powerful state. "Our aim cannot be a development of events in which the USSR ceased to be united," H. Kohl believes. "It would be madness to shape our policy on that basis. It would destroy the hopes of real disarmament and lasting peace."

The unification of Germany caused considerable misgivings about that country's future role in the world economy. What do the Germans themselves think about that? The results of a public opinion poll in January this year provide an indication. Some 69 percent of the inhabitants of the western and eastern Lands want the FRG to be a prosperous, stable, and neutral state, like Sweden or Switzerland.

The process of German unification is not proceeding as quickly or successfully as expected, but surely one can already agree with the opinion of former British Prime Minister Margaret Thatcher that "Germany will dominate Europe because it is the largest country on the continent." In the FRG, however, they tend to view their own might rather as a component of general European unity. While actively participating in the activity of the EC the Germans intend to confirm the conclusion that where power is exercised through joint agencies and institutions there is no room for the national rivalry and hegemonist aspirations of the past. This conclusions follows from their own history.

Both sides have an equal interest in establishing truly friendly relations between Germany and the Soviet Union. And meetings between the two countries' leaders serve not only the creation of conditions for genuine partnership but also the future peaceful development of world civilization.

Sources Cited on Meeting

PM1007154391 Moscow ROSSIYSKAYA GAZETA in Russian 5 Jul 91 p 1

[Report from the INTERFAX-RIA-TASS-ROSSIYSKAYA GAZETA roundup under the "News" rubric: "Will Germany Be Guarantor?"]

[Text] RIA has learned from competent sources that the main topic of today's dialogue between USSR President Mikhail Gorbachev and FRG Chancellor Helmut Kohl was the upcoming G-7 meeting in London. The USSR is interested in Germany's acting as the main guarantor of Western aid to the Soviet Union. In return the USSR may speed up its troops withdrawal from Germany, and German companies making capital investments in the Soviet economy, especially in Kaliningrad Oblast, will be granted Most Favored Nation status.

Finnish Defense Minister Arrives

Met by Yazov

PM1007134491 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 91 First Edition p 1

[Unattributed report: "On an Official Visit"]

[Text] Finnish Defense Minister E. Rehm arrived in the Soviet Union 8 July for an official visit, at the invitation of USSR Defense Minister Marshal of the Soviet Union D.T. Yazov.

At the airport, which was decked with the state flags of Finland and the Soviet Union, the guest was met by Marshal of the Soviet Union D.T. Yazov; Army General M.A. Moiseyev, chief of the USSR Armed Forces General Staff and USSR first deputy defense minister; Colonel General of Aviation Ye.I. Shaposhnikov, commander in chief of the Air Force and USSR deputy defense minister; Fleet Admiral V.N. Chernavin, commander in chief of the Navy and USSR deputy defense minister; Army General V.F. Yermakov, USSR deputy defense minister for cadres; and other officials.

Among the welcoming party were J. Karinen, Finnish charge d'affaires in the USSR; and Colonel K. Rissanen, military attache to the Finnish Embassy in Moscow.

An honor guard of troops from the Moscow Garrison was formed up on the airfield, and the two countries' state anthems were played.

Continues Tour

LD1007113491 Moscow TASS in English 1029 GMT 10 Jul 91

[By correspondent Oleg Moskovskiy]

[Text] Moscow July 10 TASS—"Our talks with Soviet Defence Minister Marshal of the Soviet Union Dmitriy Yazov were highly successful and friendly," Finnish Defence Minister Elizabeth Rehn, who is currently in the Soviet Union on an official visit, told TASS today.

Matters "connected with the present-day situation in Europe and the world and the possibility of building a new model of European security" were discussed during the meeting, she added.

Elizabeth Rehn set out on a tour of the Soviet Union today. At the airport the guest was seen off by Marshal Yazov and other officials.

During the tour Rehn will visit the hero cities of Volgograd and Sevastopol, see military facilities there, and then go to the hero city of Leningrad.

The Finnish defence minister will complete her visit to the USSR on Friday.

Visits Military Academy

LD0907151191 Moscow TASS in English 1338 GMT 9 Jul 91

[By correspondent Oleg Moskovskiy]

[Text] Moscow July 9 TASS—Finnish Defence Minister Elisabeth Rehn, on an official visit to the Soviet Union, toured the Soviet General Staff Military Academy today.

Speaking before professors and officers at the academy for senior Soviet military commanders, Rehn said her talks with the Soviet military leadership were of an exceptionally friendly and warm character.

Finland and the Soviet Union share views on "the situation in Europe and the world and the possibility to build a new model of European security," [words indistinct] on the need for further joint efforts to [word indistinct] that Soviet-Finnish relations [words indistinct] military-technical city near Moscow, which serves as the training base for Soviet cosmonauts.

Soviet Ships Complete Visit to Finland

LD0907094691 Moscow TASS International Service in Russian 1830 GMT 8 Jul 91

[By correspondent Vladimir Dodonov]

[Excerpts] Helsinki, 8 Jul (TASS)—A friendly visit to the capital of Finland by a detachment of Soviet ships—the training ship Smolnyy and oceanographic research ship Ivan Kruzenshtern—has ended. [passage omitted]

Mutual meetings and contacts between Finnish and Soviet sailors make it possible to know each other better and promote stronger friendship between the peoples of our countries, noted Rear Admiral V.E. Selivanov, commander of the detachment of ships, at a news conference for Finnish journalists. [passage omitted]

USSR-Greek Military Agreement Initialled

LD0907092891 Moscow TASS International Service in Russian 1721 GMT 8 Jul 91

[Text] Athens, 8 Jul (TASS)—An agreement between the USSR and Greece on preventing dangerous military activity was initialled here today.

Present at the initialling ceremony were Ioannis Verivakis, chief of the Greek National Defense General Staff and representatives of the leadership of the Greek Ministry of Foreign Affairs and, for the Soviet side, representatives of the General Staff of the USSR armed forces and of the USSR Ministry of Foreign Affairs.

The agreement will be signed during the official visit to the Soviet Union by Konstandinos Mitsotakis, prime minister of Greece, which is due in July.

Frolov Meets With Press Aide to Greek Premier

PM1007144191 Moscow PRAVDA in Russian 5 Jul 91 Second Edition p 5

["Own Information" report: "Meeting at Editorial Office"]

[Text] I.T. Frolov, member of the CPSU Central Committee Politburo and editor in chief of PRAVDA, met with K. Pilarinos, the Greek prime minister's secretary general of the press and Information Ministry, 4 July at our editorial office.

In the course of a frank, friendly conversation they discussed questions of the mass media's participation in developing and strengthening the traditional good-neighborly relations between the Soviet Union and Greece and mutual understanding between the Soviet and Greek peoples. Particular attention was devoted to Greek Prime Minister K. Mitzotakis' coming visit to the USSR and his talks with Soviet leaders. K. Pilarinos noted the tremendous significance that Greece attaches to broadening multifaceted ties with the Soviet Union and to the importance of the successful continuation of perestroyka for establishing in Europe a climate of lasting peace and cooperation between all peoples.

Immigrants From USSR Cause Concern in West

OW1107083291 Moscow Central Television First Program and Orbita Networks in Russian 1900 GMT 7 Jul 91

[Commentary by Aleksandr Ignatov; from the "Utro 120+30" program]

[Text] Lately, the so-called invasion from the East has become a much discussed subject in the French, Belgian, Swiss, and, actually, in all of the Western press, referring to the millions of immigrants who will burst forth from the Soviet Union the moment the law on leaving our country comes into effect. Detachments of soldiers are being sent to the Eastern borders, and control systems are being strengthened. But let us give the floor to Aleksandr Ignatov, a journalist specializing in international affairs:

[Begin Ignatov recording] You know, it is wonderful that everyone of us is now being given the right to travel and emigrate as they please. But when doing this, of course one must think first. It is true that today, rumors are circulating very widely in the West that a whole wave of millions of people is leaving or is about to leave the Soviet Union. By the way, these rumors circulate here as well, and I know people who gather together, to discuss and think about where and how they will travel. But sometimes I think all of this is being done with certain illusions that are far from reality. After all no one is waiting for us there, and places that we dream about have long since been occupied.

I was a correspondent for the Novosti information agency—called APN at the time—for several years, traveled in many countries from the North Sea to Gibraltar, and have seen numerous foreign workers: Moroccan farm laborers in Portugal and high-class administrators and professors from South Africa and the United States in France. But these positions are already chocked up. Will we be able to find ourselves an occupation there? Yes, for a certain number of people it is entirely possible, but only if we work better, smarter, and faster than they do. And just how many of our people have the ability to do that? I think that we are overestimating our abilities a little, and foreign countries, fearing this, have already taken certain measures. They have erected a wall of bureaucratic papers which works better than the Berlin wall (which fortunately no longer exists). It is enough to take a look at the waiting lines at the consulates of France, Austria, Switzerland, and Germany in Moscow; there are a huge number of people who are willing to leave, but very few receive a real opportunity to do so. What prevents them are not the Soviet laws or people, but foreign laws and people.

Certainly, increasing the masses of the unemployed over there is not such a great idea at all. Therefore, I would ruminate first—one must know the language, one must have a vocation, one must be able to compete with the people over there—and only then should one consider leaving.

The Silver Wall, as Lech Walesa, President of Poland, called it, will prevent us from doing so. But I know our people, as you know them too—they will manage to crawl through the tiniest holes, through non-existent alternatives just to get there. Thus, my second conclusion (the first one was about illusions) is that these people must be helped without fail. We should probably create a structure in our country—maybe in cooperation with public organizations—which would occupy itself with assisting these people. Otherwise they will find themselves there in a bad and unprepared situation, it will be very hard on them, while it will cost us all very dearly to help them out.

That is how it is everywhere, maybe with the exception of Greenland where we are invited to go through an independent newspaper of Mikhail Vaselenskiy, who says that the place is empty and devoid of people. But should one really go to Greenland? [end recording]

Latin America & Caribbean

Further on Salinas Visit to Moscow

Frolov Attends Luncheon

PM1007143391 Moscow PRAVDA in Russian 6 Jul 91 First Edition p 6

["Own Information" report: "Official Announcements"]

[Text] Mexican President Carlos Salinas de Gortari, who is paying an official visit to the Soviet Union, invited Academician I.T. Frolov, member of the CSPU Central

Committee Politburo; G.Kh. Shakhnazarov, USSR presidential assistant; and Doctor of Economic Sciences Professor N.P. Shmelev to lunch with him 4 July.

In the afternoon I.T. Frolov received the group of Mexican journalists covering C. Salinas de Gortari's stay in the USSR. During a frank and substantive conversation the PRAVDA chief editor gave thorough replies to questions of interest to the guests. They had a friendly exchange of opinions on ways of further developing and improving contacts between the two countries' mass media.

Last Day in Moscow

PM1007143791 Moscow PRAVDA in Russian 5 Jul 91 Second Edition p 4

[TASS report: "Mexican President's Stay in Moscow"]

[Text] Intergovernmental agreements on cooperation in the sphere of the study and use of space for peaceful purposes; on cooperation in combating the illegal trafficking and abuse of drugs and psychotropic substances; and also on scientific and technological cooperation in defending the population and averting natural disasters were signed 4 July in Moscow at the close of the Soviet-Mexican talks.

A joint Soviet-Mexican declaration was adopted. The text of it will be published in the press.

After the document signing ceremony the presidents answered journalists' questions. We must hope that Soviet-Mexican dialogue will develop successfully, M.S. Gorbachev said in particular.

The Mexican president met with USSR people's deputies who are members of parliamentary commissions and comittees.

He was the guest of the M.V. Lomonosov Moscow State University. A ceremony was held here where he was awarded the diploma of honorary doctor of Moscow State University. This title was conferred on him for his great personal contribution to the elaboration of economic science and the strengthening of international cooperation on the basis of the principles of the new thinking.

C. Salinas de Gortari had a conversation with RSFSR [Russian Soviet Federated Socialist Republic] President B.N. Yeltsin. The leader of the Russian Federation familiarized the Mexican head of state with the political and socioeconomic situation in the republic and briefed the guest on the progress made in preparing the Union Treaty and relations between the RSFSR and the center. At the close of the talks during an interview with journalists he voiced satisfaction with the meeting. In his opinion, the Mexican president had displayed great interest in Russia. B.N. Yeltsin said that he had accepted the Mexican president's invitation to visit that country.

C. Salinas de Gortari laid a wreath on the Tomb of the Unknown Soldier at the Kremlin Wall.

In the evening an official send-off ceremony was held for the Mexican president in St George's Hall in the Grand Kremlin Palace. M.S. Gorbachev bade him a warm farewell.

Commentary on Visit

PM1007104591 Moscow PRAVDA in Russian 8 Jul 91 First Edition p 6

["Editorial Commentary": "View to the Future"]

[Text] Moscow has already received the Mexican president in the past, along with other heads of state. That is why Mexican President Carlos Salinas de Gortari's visit to our country at M.S. Gorbachev's invitation was not by nature "pioneering." However the Mexican head of state has never before been accompanied by such a large number of high-ranking members of his cabinet, representatives of business circles, and journalists as this time. It is not of course a case of the Mexicans being more impressed by our hot dry weather than the torrential rain that is literally inundating Mexico at this time—their interest in Moscow, in the two presidents' meeting was generated above all by the process of profound changes that our country is experiencing, the significance of these changes for resolving panhuman global problems and establishing a new world order, and the prospects of developing bilateral Soviet-Mexican ties that are opening up or may be opened up as a result of both the socioeconomic reforms already being implemented in the USSR and Mexico and those still being outlined.

The Mexican president's visit was businesslike and therefore brief—just one and a half days, 3 through 5 July. His meeting with M.S. Gorbachev was not merely the two presidents' first meeting—its significance resides in the fact that personal top-level contacts have resumed between the two states' leaders. These contacts proved fruitful and highly promising. However, it could not be otherwise since rich traditions of friendship and cooperation, now capable of forming a firm foundation for developing mutual understanding between our peoples and business ties in various spheres, have accumulated in over a century of relations between our countries.

PRAVDA has already reported on M.S. Gorbachev's meetings and conversations with President C. Salinas de Gortari and on the important documents that were signed as a result of the talks—the joint Soviet-Mexican declaration, along with the bilateral agreements on cooperation in the sphere of space research and use, protection of the population and warning against natural disasters, and the fight against drug smuggling. Obviously there is no need to talk about their content again. It is merely important to recall the following point. The talks between the two presidents, who discussed pressing international problems and various aspects of the political and socioeconomic processes taking place in the Soviet Union and Mexico, revealed—something that

was also reflected in the final documents—the commonality of positions and the coincidence or proximity of Moscow's and Mexico City's view of such highly important problems of the day as the move away from "cold war" to cooperation based on the recognition of the priority of panhuman values and interests, recognition of the key significance of the United Nations in ensuring peace, security, and cooperation between states, the peaceful resolution of regional conflicts, the nonproliferation and elimination of all types of mass-destruction weapons, cuts in conventional arms, armed forces, and military spending, and so on.

The documents that M.S. Gorbachev and C. Salinas de Gortari signed attest to the Soviet Union's and Mexico's desire to further develop mutual understanding and cooperation. It is no coincidence that they devoted particular attention to analyzing the status of and prospects for developing bilateral economic ties. The following task enshrined in the joint declaration serves to recognize the paramount importance of precisely that aspect of Soviet-Mexican relations at present: the task of raising these relations "to a level appropriate to the two countries' economic potential and to their effective participation in the new processes of world development."

We have long since developed friendly, benevolent political relations. Cultural and sporting links and exchanges of various delegations have reached a high level. Over the last few years tourism has increased appreciably. But economic ties are clearly lagging behind political or cultural ties in development. However, plenty of spheres are open to real, mutually beneficial cooperation: for instance, the oil and metallurgical industries, power engineering, agriculture and forestry, biology, and, lastly, space. Our representatives in Mexico have frequently submitted corresponding initiatives—it is now up to the Mexican side. Since, as the Soviet president quite rightly stressed—it is a matter of "filling what are now the most feasible areas of cooperation with substance."

Castro on Commitment to Socialism

PM1007154591 Moscow IZVESTIYA in Russian 3 Jul 91 Union Edition p 1

[Report from IZVESTIYA, TASS, RIA, IAN, BALT-FAX, REUTER, AFP roundup: "'Cuba Will Survive Even If the Soviet Union Breaks Up'"]

[Text] Despite the Soviet Union's difficulties, together with with the possibility of its collapse or civil war in that country, the Cuban people state their readiness to uphold the gains of socialism and the revolution, Cuba's leader Fidel Castro said.

F. Castro said that, with the exception of oil and petroleum products, which have been cut by 30 percent, deliveries of raw materials and semimanufactures from the Soviet Union have dropped considerably. "In the first five months of this year alone," he indicated, "we didn't receive a single tonne of raw materials for fundamental industrial enterprises. The situation is reminiscent," F. Castro said, "of the first few years of the Cuban revolution when the United States declared an economic blockade on the island, paralyzing the republic's economic life."

Supreme Soviet

Tax Rates on Businesses Reduced

LD1007113991 Moscow TASS in English 1104 GMT 10 Jul 91

[By TASS parliamentary correspondent Ivan Ivanov]

[Text] Moscow July 10 TASS—The Soviet parliament today reduced the rates of taxes on the incomes of businesses upon introducing appropriate changes in the law on taxes on businesses, amalgamations and organisations. The law has been in effect since January 1, 1991.

"These changes are essential for the implementation of the joint action programme of the USSR Cabinet of Ministers and the governments of sovereign republics to lead the country out of the crisis," Anatoliy Saunin, deputy chairman of the parliamentary commission for the budget, plan and finances, told TASS.

The parliament resolved to reduce the rate of the tax on the profit of businesses from 45 per cent to 35. "This is connected with the fact that, following the April reform of prices, businesses have had to compensate the workers for the price rise on consumer goods out of their own funds," Saunin explained.

Tax rates for commercial banks and commercial insurance organisations have been reduced from 55 to 45 per cent and for state-run insurance organisations—from 55 to 35 per cent.

In addition, investment taxation privileges have been introduced to stimulate the agroindustrial sector, scientific and technical progress in the country, the production of consumer goods and medicines.

"All these measures will" contribute to taking the country out of the crisis and stimulate the production of consumer goods and the solution of social issues by businesses," Saunin said.

Besides, the parliamentarians instructed the USSR Cabinet of Ministers to prepare proposals for the parliament's next session about changing the law on taxes on businesses, amalgamations and organisations, introducing taxation privileges for public organisations engaging in humanitarian and charitable activities.

Securities, Stock Exchange Law Adopted

LD1007160291 Moscow TASS International Service in Russian 1515 GMT 10 Jul 91

[By TASS parliamentary correspondent Ivan Ivanov]

[Text] Moscow, 10 Jul (TASS)—The USSR Supreme Soviet today examined in its first reading the draft law on securities and stock exchanges, which defines the sole principles for the issue and circulation of securities and regulates the activities of professional participants in the securities market.

USSR Finance Minister Vladimir Orlov, in presenting the draft law to parliamentarians, named its main distinguishing feature as being the establishment of legal guarntees for people acquiring securities. "The unregulated issue of securities could lead to losses for investors, and a delay in adopting the law could threaten the securities market which is already taking shape in the USSR today with taking on a criminal character," noted the minister, having reported that already almost 1,000 joint stock companies have been registered in the country.

Vladimir Orlov particularly emphasized that the state will not assume the functions of guaranteeing or insuring the non-state securities acquired by private individuals.

Touching upon the draft law articles regulating the setting up and the functioning of stock exchanges, the minister reported that the document particularly emphasizes the article according to which the activities of the stock exchange should not pursue the aim of making a profit. Should this not happen, he continued, the stock exchange cannot create the necessary conditions for the normal circulation of securities. "A stock exchange—this is a noncommercial body, and its funds will be made up of the entrance fees and annual subscriptions of members of the exchange," he said.

Some 354 members of parliament voted to adopt the law in its first reading, one person was against, and three abstained.

Antitrust Legislation Adopted

LD1007151491 Moscow TASS in English 1453 GMT 10 Jul 91

[By TASS parliamentary correspondent Vladimir Isachenkov]

[Text] Moscow July 10 TASS—The Soviet parliament today adopted a law "On the Restriction of Monopolistic Activity in the USSR."

The antitrust law bans any actions by enterprises and authorities aimed to restrict competition, create shortages on the market and raise prices. A total of 330 deputies voted in favour of the law, three parliamentarians voted against and seven abstained.

The law bans agreements on the division of markets and restricting access to markets. Government and managerial bodies are not allowed to establish discriminatory or beneficial conditions for enterprises and pass decisions on the centralised distribution of commodities and the imposition of bans on the sale of commodities from one republic in another.

This legislation assigns the antitrust committee of the USSR to carry out state policy in restricting monopolistic activity. The committee has the right to order enterprises to stop violations and terminate or alter

agreements that violate the legitimate interests of enterprises or consumers and impose fines.

Non-compliance with the antitrust committee's prescriptions may be punished with a fine of one million rubles.

Before winning consent for merger, enterprises should present a reorganisation plan and other information to the antitrust committee.

The committee has the right to prevent merger or absorption of enterprises if that might lead to a substantial decrease in competition.

The law grants authorities, enterprises and officials the right to appeal their cases at the Supreme Court and the High Court of Arbitration of the USSR.

Principles of 'Soglasiye' Association Explained

PM1107090991 Moscow IZVESTIYA in Russian 5 Jul 91 Union Edition p 3

[Unattributed report: "The Political Principles of 'Soglasiye'"]

[Text] The IZVESTIYA editorial board has received a letter from the coalition coordinating council of the "Soglasiye" [Accord] association of groups of people's deputies, setting out the association's principles. It favors a regulated transition from a unitary, totalitarian system to a modern rule-of-law society, diverse and equal forms of ownership, consistent destatization and privatization, a mixed economy integrated in a world economic system, and free enterprise with effective social protection mechanisms.

"Soglasiye" is orientated toward all strata of society and advocates respect for lawfully elected organs of state power, political tolerance, and exclusion of unconstitutional strong-arm pressure from the arsenal of means of struggle, with a view to consolidation and avoidance of confrontation in the political struggle. In their practical activities the association's members must be guided by real political principles, not by the ideological aims of various parties, organizations, and movements that contradict them.

Political stability will make it possible to focus society's efforts on the main area—solving economic tasks and providing people with normal conditions for their lives and activities.

"Soglasiye" supports talks among the sovereign republics on the creation of the Union, favors the development of a common economnic space, and will try to participate in the elaboration of the USSR Constitution. In the event of any conflicts (political, economic, interethnic), the association is prepared to mediate in the settlement of them by nonviolent means.

Internal Troops Chief Reports on NKAO Events

PM1007092591 Moscow KRASNAYA ZVEZDA in Russian 6 Jul 91 First Edition p 1

[Report by Captain Second Rank V. Urban: "From the USSR Supreme Soviet: Report on the Situation in Nagorno-Karabakh Autonomous Oblast"]

[Excerpt] [passage omitted] On Friday parliamentarians also received a written report from the USSR MVD [Ministry of Internal Affairs] Internal Troops Commander's Main Directorate on the situation in NKAO [Nagorno-Karabakh Autonomous Oblast]. I cite it with only a few abridgements:

In June this year, following certain efforts by the republican Organizational Committee for NKAO, by soviet and party organs in Azerbaijani and Armenian rayons, and by the commandant's office in the state of emergency region, there emerged a tendency toward an improvement in the situation, and an understanding of the need to move toward dialogue so as to overcome opposition and confrontation has started taking hold.

All this has provoked counteraction from the destructive forces, which have again unleashed terror, thereby drastically exacerbating the situation. Between 20 and 30 June of this year there were many sightings of helicopters without identification marks. Incidents of attacks on people, cattle rustling, and arson attacks on farms and crops have become more frequent. Attacks on and bombardments of Internal Troops details are continuing.

During the period between 18 June 1991 and 3 July 1991, 10 local residents—all Azeris—were killed, and six—three Azeris and three Armenians—were wounded. One serviceman was killed and one received a gunshot wound.

Eight population centers and 11 troop details came under fire; there were three cases of arson, and 520 head of cattle were rustled.

Fragments and casing of missiles and of ammunition fired from mortars, grenade launchers, and automatic weapons, including some of foreign manufacture, were discovered at the scene of the crimes.

The necessary measures for detaining persons suspected of having committed the crimes and confiscating arms and ammunition were carried out 3 July 1991 on the territory of Martuninskiy and Mardakertskiy Rayons with the participation of the Internal Troops.

Twenty-seven suspects and accused were detained. Two assault rifles, a homemade revolver, and a large quantity of ammunition, explosives, and edged weapons were confiscated.

Colonel General Yu. Shatalin, commander of the Internal Troops, who signed this report, also pointed out that the reports published by some mass media about the

alleged deportation of the Armenian population from the NKAO does not correspond with reality.

Committee Chairman Kim Views Deputies' Mandate

PM1007095991 Moscow SOVETSKAYA ROSSIYA in Russian 5 Jul 91 First Edition p 1

[Interview with Ye. Kim, deputy chairman of the USSR Supreme Soviet State Building Committee, and R. Medvedev, historian and USSR people's deputy, by S. Karkhanin under the "Debates in the Kremlin" rubric; time and place not given; first paragraph is introduction: "Abstract Ultimatums"]

[Text] Little time at all remained before the end of the work of the Fifth Session of the USSR Supreme Soviet, and on Monday the deputies continued their debate on the draft privatization law. This was followed by the draft Fundamentals of Criminal Legislation of the USSR and the Republics, the draft Law on the Preservation of Historical and Cultural Monuments, and the draft Law on Accountability for the Disorganization of Production. However, the future of the present Union parliament remains unclear. Participants in the session comment on this problem of fundamental importance for the country's political life.

[Ye. Kim] It is well known that, according to the "Nine Plus One" statement and the document prepared in Novo-Ogarevo, elections lie in store for parliament and our powers will obviously be brought to an early end in connection with the new state system of the Union. It is too early as yet to talk about the schedule if legal nihilism is to be prevented, for it is essential to maintain the continuity of the supreme organs of power.

Moreover, a whole series of questions arises. If a deputy has gone through a tough election campaign and earned the support of voters, why should he relinquish his mandate early? On the other hand, the Congress of USSR People's Deputies and the Supreme Soviet cannot, given the situation, set early elections without declaring their own dissolution. I completely reject the allegations that parliamentarians are bent on holding onto power at any price. Only those who are unaware of our work and who do not see the internal driving forces of what is happening could, in my view, expend their energy on such allegations.

I think it is important that worker-deputies opposed a number of paragraphs during the debate on economic acts, particularly when the draft privatization law was discussed. Their alarm is understandable: The draft contains vague formulations which leave a loophole for defense plants to be privatized and foreign capital to pour in and erode them...

Quickly smashing the old and quickly building the new are not the same thing. That is forgotten by those who accuse us of "conservatism." And it is well to remember that one year ago the interregional deputies' group and "Democratic Russia" called for the resignation of N.I. Ryzhkov's government, the dissolution of the Congress and the Supreme Soviet, and then the removal of the president from office. As we can see, the proclaimed continuity has been observed to date... There is food for thought here. It is clear that deputies elected on a competitive basis and inclined toward independence are not considered suitable by all of today's political leaders.

According to the draft Union Treaty worked out in Novo-Ogarevo, the more than 30 national-state and national-territorial formations of the Russian Federation will receive one vote in the new Soviet of the Republics of the USSR Supreme Soviet. Just one vote for all! But who needs representation without the right to vote? And who will determine how to vote in each case if the multiparty system becomes a reality? Nor can it be ruled out that no one will ever listen to the opposition at all. I fear that in the proposed draft the Soviet of the Republics encroaches upon the rights of the peoples more than does the present Soviet of the Nationalities, since the deputies of the Soviet of the Republics will essentially represent the interests of just the political groups which have come to power in those republics.

[R. Medvedev] The First Congress of USSR People's Deputies took all power in the country into its hands. And we are not entitled to repudiate that decision. The congress can pass any law, alter the constitution, and remove the president from his post.

Attempts are being made to smash the existing Union treaty for something worse. But someone living in a dilapidated house is not obliged to move into another house which lacks a roof. There is nowhere to go. That is why I am convinced that the congress must not relinquish its powers for the duration of the transition period. Otherwise a vacuum of power could turn into anarchy.

Now in general everyone does what he wants. Recently I learned at a meeting with voters that the leadership of Moscow's Khoroshevskiy Rayon was in a panic: It turns out that their rayon has been abolished by the mayor of the capital and three rayon soviets have been stripped of their powers. A city Duma and a Moscow government are emerging in place of the Moscow City Soviet. Our deputies' committee prepared a report, prior to the mayoral election, to the effect that the planned innovations are quite illegal and anticonstitutional. A draft decree preventing the mayoral election was drawn up. But the election took place because the document remained merely a draft.

If the party processes take place more quickly than the state processes the situation in the country will change of course. But one thing is clear as of now: Further concessions are dangerous. I think the Supreme Soviet should support the government in the conflict which has developed in the "power triangle," because you cannot do business when the prime minister has to wait his turn to be received by the president while engaged in tackling urgent questions concerning the country's life. And it is paradoxical that any USSR people's deputy has the right

to initiate legislation while the entire Cabinet of Ministers is deprived of that right.

I think that V.S. Pavlov is living in the real economic world rather than inhabiting the realm of fantasy, and it is no wonder that he does not wish to accumulate debts to foreign states, but intends first to settle overdue payments. It is scarcely advisable to pay too much heed to G. Yavlinskiy, who only represents academic circles. The enthusiastic philosophers won over by the idea of foreign loans have forgotten that the West is tormented by its own contradictions, which will be discussed within the G-7. So will it not turn out that the visit to London will only make matters worse, as happened with the visit to Japan?

At the same time an offensive has been launched against the Union Congress and the Supreme Soviet. But in my view the offensive is dangerous for the republics themselves because now, at a time when people's lives are getting worse all the time, the new deputy mandates could go not to the most deserving, but to those with the loudest voices. The present deputies have acquired experience in lawmaking and have learned independence. But at the next elections these people will be swept away, and this most valuable human resource will be wasted for nothing.

The present Supreme Soviet does, it has to be bluntly stated, ensure the Communist Party's ruling role. At the new elections it will be removed from power across the country. And this will be ruinous for the state and the people, because there is no alternative political force capable of assuming leadership. There is a bloc of groups and groupings at odds with one another which, once at the helm, will wreck what is left of our economy.

I think that the Congress and the Supreme Soviet should operate until the end of their constitutional powers in 1994 and should introduce a proviso into the new Basic Law which envisages this condition. Even if the Union treaty is signed, it will not affect the present deputies' rights. The republics have no possibility to make us dissolve ourselves. Only the proponents of the ultimatums will suffer from them: The example of the Baltic, where the economy is coming apart at the seams, shows that. But I do not see the center as having a clear and precise political program.

Adherence to Human Rights Documents Viewed

OW0907100391 Moscow INTERFAX in English 1530 GMT 8 Jul 91

[From the "Diplomatic Panorama"; transmitted via KYODO]

[Text] In the run up to the session of the UN Committee on Human Rights which opens today in Geneva, the Supreme Soviet of the Soviet Union has taken a decision to waver all objections to three of the most important international documents in this sphere. As DP [diplomatic panorama] was told at the Soviet Foreign Ministry, the documents in question are the International Pact on Civil and Political Rights, the International Convention on the Liquidation of All Forms of Racial Discrimination and the Convention against Torture and against Other Inhuman or Degrading Forms of Treatment and Punishment.

The UN Committee on Human Rights works on the basis of the Pact on Civil and Political Rights. This pact has an optional protocol which envisages recognising the competence of the committee to consider the complaints of individual citizens. Now, after the corresponding decision of the Supreme Soviet, Soviet citizens who feel that their rights have been violated and who hae failed to find redress in the courts of their own country, may now turn to this international body.

The USSR also now recognises the 41st article of the International Pact on Civil and Political Rights. This gives the UN Human Rights Committee the power to investigate complaints made by one member country against another.

The USSR is now also binding itself to the procedure envisaged in the 14th article of the International Convention on the Liquidation of All Forms of Racial Discrimination. The Soviet Union recognises the right of the Committee on the Liquidation of Racial Discrimination, which works on similar lines to the UN Human Rights Committee, to investigate the complaints of Soviet citizens.

Finally, the Soviet Union recognises the procedure which exists within the framework of the Committee against Torture on the fulfilment of the corresponding convention. Here the spotlight in particular is on article 20, according to which the committee may call upon the cooperation of any country should it feel the need exists. The USSR also recognises the competence of the Committee against Torture to investigate the complaints of citizens who consider themselves to be victims of inhuman treatment on the side of the government.

Debate Requested Over IZVESTIYA Issue

PM1107100791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Jul 91 p 1

[Report from INTERFAX, RIA, "Own Information" roundup under the general heading: "Have You Heard? Have You Read?"]

[Text] The USSR Journalists' Union Executive Secretariat has asked the USSR Supreme Soviet to examine at its next session the situation that has taken shape at the IZVESTIYA editorial office.

Supreme Soviet Debate on Union Treaty Viewed

PM1007092191 Moscow KRASNAYA ZVEZDA in Russian 4 Jul 91 First Edition p 1

[Captain Second Rank V. Urban "Parliamentary Diary": "Is It Far From Novo-Ogarevo to the Kremlin?"]

[Text] Perhaps only the discussion of the Law on the Basic Principles of Destatization and Privatization of Enterprises somehow overshadowed the main theme of the past few days: What will the Union Treaty look like and what will the role of the USSR Supreme Soviet be in its signing? But on Monday the deputies finally adopted the law on privatization and the previous theme "reigned" again in the parliamentary lobbies.

Furthermore, the news from the republics—on which deputies are basing their actions one way or another—is mixed at the moment. The Ukrainian Supreme Soviet has reaffirmed its previous aim not to sign the treaty until the republic constitution is adopted. And it is assumed that this will happen in November-December. A significant proportion of Russian parliamentarians advocate signing the Federative Treaty first. So that the Union treaty will scarcely become a legal act in July, despite the promising statements made by the participants in the "Nine plus One" agreement. Incidentally, M.S. Gorbachev confirmed this himself 2 July.

The main reason for this is that the Novo-Ogarevo agreements are simply not being carried out. But the situation in the Union Parliament is far more complex. Representatives of the "Soyuz" deputies group expressed themselves very openly even before the present Novo-Ogarevo crisis. I repeat the words of Deputy Yu.V. Blokhin, which have gone the rounds of all the news agencies: "The 'Soyuz' deputies group is opposed to signing the Union treaty in its present form since this is a treaty on the dissolution of our state."

But even more unexpected news came in from the sitting of the Committee for International Servicemen's Affairs. Here, the "Soyuz" formula was virtually reaffirmed. According to N.N. Engver, a member of this committee, in the "Nine plus One" agreement the "One" is taken to mean just the USSR president, whereas the Union parliament has been left redundant. And while the still current constitution operates, the participants in the Novo-Ogarevo process cannot ignore it. As N.N. Engver believes, all you can do is introduce the relevant amendments into the country's Basic Law with the assistance of the Congress of USSR People's Deputies, and then act.

Admittedly V.A. Shekhovtsov, acting chairman of the Committee for Legislation and Law and Order, adheres to a different viewpoint, namely that the Union Treaty must be signed now, since in any case it will help stabilize the situation. But in a conversation with a RIA correspondent, V.A. Shekhovtsov observed: "The local organs of power should have full autonomy, but the draft Union Treaty only grants this to the republics. You cannot tell who will run the regions more harshly—the center or the republics."

I have cited all these opinions for one reason—that they will possibly be the prevailing opinions during the discussion of the draft. And we do not have long to wait—the first such sitting in the USSR Supreme Soviet is scheduled for next Tuesday.

Of course there are other causes for concern. Deputy V.A. Shapovalenko, famous for his hyperactivity, lifted the "veil" from one of them. He believes that only some of his colleagues are calm about their future in the event of the Union Treaty being signed. And he said quite unequivocally: "By the time the new draft Constitution is adopted, and by the time a national discussion is held, it will be 1993, and re-elections will be held then anyway." But he immediately specified that many people are nevertheless still worried that the USSR Supreme Soviet may be dissolved after the signing of the Union Treaty.

This is a psychological factor rather than a political one. But it too can affect the passage from Novo-Ogarevo to the Kremlin. However, it must be noted that parliament is objectively promoting the consolidation of the "9 plus 1" agreement. The recently adopted laws fully meet the principle of federalism, that is, the division of the powers of the Union and the republics. The document on privatization clearly confirms this.

The republics will have the last word in the abolition of the monopoly of state ownership. It is no accident that the editorial office is now receiving many calls concerning the question of whether servicemen can participate in this process. Unfortunately I will please scarcely anyone with this reply: This is not our domain. But that is how it is. It is another matter that in the face of the market, servicemen's social guarantees should be protected by law. But the package of laws connected with military reform simply "did not fit" into the framework of the present session, which will conclude its work 12 July.

What are the reasons? As L.V. Sharin, chairman of the Committee for Defense and Security Questions explained, two working groups from the committee prepared their proposals on draft military laws, but the government has still not officially submitted them to the Supreme Soviet. It is clear that the USSR Cabinet of Ministers is more concerned with the adoption of market laws at the moment. But in any event, the "lawlessness" is restricting reforms in the Army.

It stands to reason that this has a great deal to do with the Union treaty, although this fact can scarcely serve as a justification. The republic's defense functions are delegated to the Union, and the Novo-Ogarevo process was not greeted with any opposition on this. And after all, it is an alarming symptom when two sessions in a row do not manage to adopt a single law on the Army, although this was provided for.

Supreme Soviet 10 July Proceedings

LD1007222991

Moscow Central Television Second Program Network in Russian at 2115 GMT on 10 July, in its regularly scheduled "At the USSR Supreme Soviet" program, begins carrying recorded highlights of the proceedings of the USSR Supreme Soviet in the Kremlin in Moscow on 10 July.

The announcer begins by saying that the deputies discussed this morning the draft law on taxes from enterprises. Deputy Saunin, deputy chairman of the Planning and Budget Commission, comes to the podium to propose amendments concerning enterprises which earn hard currency and how they are able to use this. It is proposed that proposals received should be discussed and worked on, and introduced at a later session. He gives Lukyanov a copy of a protocol for the Council of Ministers, concerning taxation for 1992. Saunin continues to read out various amendments which his committee has received and thinks should be incorporated in the law.

At 2124 GMT the announcer says that all the commission's amendments were adopted by the deputies. Deputy Melnik then comes to the podium to propose his own amendment. The Council of Ministers should present to the Supreme Soviet its budget policy for the following year so that deputies can suggest their own amendments. The procedure for such an examination of a draft budget should be enshrined in law. Vote is taken on this proposal; it is approved.

At 2128 GMT the announcer says that the deputies then moved onto anti-monopoly legislation. The law was adopted in principle, and the deputies them moved onto discussion of amendments.

At the evening session the deputies move on to examine the draft law on securities and stock exchanges. Lukyanov gives the floor to Orlov, USSR mninister of finances.

At 2129 GMT Orlov says this law is to protect those who invest in securities. This means that full information about securities has to be given to the buyer. Prospectuses should be published. He gives details of how security markets are to be officially registered and licensed. The draft law also envisages measures to protect the smaller investor from large investors, i.e. it contains anti-monopoly measures. The law also envisages a demarcation between republican and central spheres of influence on the question of securities. A stock exchange is to be a non-commercial organization in order to be independent and afford equal conditions for all. This was the case during the New Economic Policy period. Exchanges are independent of both the state and commercial trading organizations. It will therefore operate on money raised by charging fees to the members of the exchange.

Viktor Gubarev, deputy chairman of the Budget, Planning and Finance Commission, speaks next. He talks about the function of a market for shares, and various other aspects of the draft law.

At 2152 GMT Lukyanov says that discussion will now pass to the basic articles of the law. Deputy Anisimova comes to the prodium. She is concerned about the role of this law in a period of mass destatification, and also about how certain articles can be enforced. Other deputies contribute their views.

At 2208 GMT the draft is adopted in principle and sent back for further work. Deputies then adopt the law in final reading on anti-monopoly situation. The session continues tomorrow.

The program concludes at 2210 GMT.

Political & Social

Gorbachev Notes Anti-Perestroyka 'Trends'

LD1007151591 Moscow Radio Moscow World Service in English 1210 GMT 10 Jul 91

[Text] The USSR President Mikhail Gorbachev, who is also the general secretary of the Communist Party of the Soviet Union, believes that the renovation and unity of the party will lead to the formation of a modern party of socialist orientation. Today we would like to tell you what Mikhail Gorbachev thinks about the present situation in the party and ways of reforming it.

[Begin Gorbachev recording in Russian with superimposed English translation and report] As for the situation in the Communist Party of the Soviet Union, it is a reflection of what is going on in the country, said Mikhail Gorbachev. It is likewise undergoing profound changes. The party, which was a decisive link and mechanism in the command and administrative system, is looking for its place in the period of transformations when legislative and executive power are being separated and when the role of political parties has become different. And that is not simple, because it involves people with set ideas. They now have to reassess things. They have to draw conclusions and change the political course and form of life of that political force, and all this within the democratic process taking place in society. We are speeding the preparation of a new program, said Mikhail Gorbachev, and on the 25th of this month there will be a full-scale meeting of the party's Central Committee where a commission formed by the previous congress will present the draft program. It will be examined by the meeting and after that put to the discussion of the party. In fact it will be open for the discussion of the whole nation.

Further, Mikhail Gorbachev expressed the belief that the party program will contain everything that the people have been able to achieve. It will also draw lessons from the past and assess one's own and world experience. The program, no doubt, will help produce new ideas.

It is already clear that there are certain trends within the Communist Party of the Soviet Union which refuses to accept the present objectives of perestroyka and, what's more, would like to reverse everything. It seems to me, continued Mikhail Gorbachev, that those who have such plans won't be able to achieve anything. Society is advancing towards changes and wants them. There are many things we don't like but we shall keep going along the road of changes. There can be no doubt about that. This is now the choice of not one group or one party but of the majority of people. What the party will be like, as well as its membership, will be discussed on the basis of the new program.

It seems to me, said Mikhail Gorbachev, that this will be a process of renovation and unity and formation of a modern party of socialist orientation.

Newsmen asked Mikhail Gorbachev what he thinks about people leaving the party. He said this in part:

This process is going on. It took place last year too. Part of the people are leaving the party. Such is their choice. This is done voluntarily. But we of course must give a thought to this and see the reason why this is done. My opinion is that this is connected to a big extent on the fact that the present day activity of the party does not live up to the hopes of the people. But I believe, said Mikhail Gorbachev, that with the appearance of a new program and new forms of activity the problem will be removed. Besides, there are people who joined the party in certain historical conditions simply to settle their personal problems and today, when the party is no longer a springboard for a career or for a position in higher echelons, they leave the party. Those are chance members and so from that point of view the process is normal and healthy. The party can gain little from such people. [end recording]

Gorbachev Cited on Supreme Soviet Imminent Demise

LD1007205591 Moscow Russian Television Network in Russian 2000 GMT 10 Jul 91

[From the "Vesti" newscast]

[Text] The RIA [Russian Information Agency] agency, quoting competent sources, has reported that at a session of the USSR Supreme Soviet presidium President Gorbachev said that the parliament has six months to live. In Gorbachev's words, neither the country's Supreme Soviet nor the congress will adopt a new constitution or the Union treaty, but will only adopt a new election law and hold elections for new deputies.

Ivashko Backs 'Centrist' Party Program

PM1007134591 Moscow PRAVDA in Russian 10 Jul 91 Second Edition pp 1,2

[Interview with V.A. Ivashko, deputy general secretary of the CPSU Central Committee, by TASS correspondent G. Zverev; date and place not specified: "'We Are Not About To Enter Into Confrontation'"]

[Text] [Zverev] Vladimir Antonovich, you have frequently repeated of late that "there are a lot of cracks in the party," but you do not know how many. What does that mean: Is the party about to split?

[Ivashko] The CPSU has taken decades to take shape in specific conditions. It was the only party and it governed society's life. When reforms began, various factors emerged in the life of society. Stratification of society was natural. Could this process, given the existence of such diverse opinions, views, and assessments, fail to affect such a vast party that unites people who joined it for highly varied reasons? Some joined it for ideological reasons, others as a career move, while a third group was influenced by agitation. We have people today who profess Stalinism outright, and there are people who would like to turn this party into a kind of association of various debating clubs. These are extreme viewpoints, but there are plenty of others in between.

It is natural for like-minded people to group together somewhat at critical moments when it is necessary to take a certain stand. There is nothing terrible in people uniting within the party in terms of their views. Why not engage in debate? Why not discuss contentious issues? The party is, after all, a living organism. However, the discussion must be preceded by elementary analysis, a process with which many people have no experience and for which others do not have enough time or perseverance. At times this normal situation transcends certain limits, beyond which groupings with clearly outlined tactics and strategy emerge and implacability increases. There may be one group, two, three, or five. To be honest, I do not know how many there are altogether, but they do exist. It would be a mistake to fail to see that. We must ponder the momentum behind this process. For instance, a year ago one crack expanded so much that some people from the "Democratic Platform in the CPSU" left the party. A breakaway occurred. I see nothing tragic in that, although I cannot and am not about to encourage these processes. Not because I hew pro forma to the principle of cast-iron unity, but because I am convinced that a pragmatic, well-considered, centrist policy is precisely what people and the country need now. It is unthinkable for political, economic, or social tasks to be resolved via left- or right-wing extremism. Centrist policy must be a kind of linchpin underpinning the entire party structure. Everything else is futile and will mean splitting the party—something that will bring no good.

Now a word about something else. The positions of many real political forces will not be mutually exclusive in the future, and there will then be the lengthy process of forming political blocs that could take part in building a rule-of-law, civic, democratic society devoted to the socialist idea. That is the only thing that people will always find acceptable, even if en route to that society they suffer from various ailments, including rejection of the socialist idea.

[Zverev] Many people link the future of the party with the new program, yet none of the previous programs has been carried out, after all. How are the authors of the new theoretical document trying to avoid this fatal and hopeless situation?

[Ivashko] The point is how to structure the program. Everyone will probably remember that the party program adopted under Khrushchev set specific dates for attaining various economic and social milestones, even production volumes, and so on. We believe the party program should discuss the principles, aims, and tasks of CPSU activity. It should contain no figures. The draft formulates CPSU strategy on the main areas of its policy in various spheres. It also mentions the party's roots and the path it has traveled. It is fairly wide-ranging and, in my view, very well-considered, difficult though this was. To be honest, our country still has not written a complete, truly scientific, undistorted history of the party.

Writing the program at all now is a terribly difficult process: After all, it is impossible to draft a document that will suit everyone equally. I would once again like to repeat the idea of the need for a centrist approach here. That would suit some people 100-percent and some people on both sides 90- or, say, 80-percent. The main thing is to rally these people around things that unite them, around a common linchpin. There will also be people who find the draft totally unacceptable. They will have to decide their future and their party affiliation for themselves. In fact, people who cannot put up with one another on ideological grounds cannot be members of the same party.

[Zverev] The "Movement for Democratic Reforms" was set up a few days ago. Yet this was not discussed at the 3 July Politburo sitting?

[Ivashko] No, this question was not examined to all intents and purposes, but there were references to it. Our approach was roughly as follows: This matter needs to be investigated. After all, by that time we had only just read the appeal through, and that is not everything, it appears. Take a look at this document, most of its ideas are the ideas with which perestroyka started and it would be totally senseless to put up any opposition to them. If this is just a movement for people who would like to continue the process of renewing society, why should we oppose it, even if it includes Communists—those who want to join it, of course. If it were another party that would be quite a different matter. People will have to determine their position here: They are a member of either this party or another party. Then there will be considerable differences between that party's program and statutes, and ours.

It is confrontation—in any form—that inflicts the greatest damage on society now. It is preventing society from leading its life today and could engender very serious, dangerous, devastating processes. This confrontation is in evidence not only at the level of sociopolitical consciousness, but also at a domestic level, sometimes between your nearest and dearest, friends, and relatives. This should not be the case.

As for the Central Committee leadership's intentions, we are not about to enter into any confrontation with the new movement; we will see how the processes go on to develop. If another party is set up, we may cooperate with it—depending on its program and ideological principles—and debate some things, but compete in some areas. That is normal.

[Zverev] As I see it, the Communists lost the RSFSR [Russian Soviet Federated Socialist Republic] presidential elections a year ago when the RSFSR Communist Party leadership was led by far from brilliant politicians with insufficient prestige. What conclusions are being drawn for the coming election to local organs of power and future elections?

[Ivashko] I would not under any circumstances like to subscribe to the assessments made by various people. Assessments should be made by the people who did the electing. The problem of leaders is a very serious one in our society, particularly now. People don't become leaders overnight. You can use some device to get yourself noticed and elevate yourself, but then people grasp the situation and disappointment sets in.

Leaders develop. It is not only the Communists who have this problem. You mentioned the RSFSR presidential elections; had there not been the figure of B.N. Yeltsin, it would have been hard to name any noncommunist politician who could have achieved a similar result.

So, everyone experiences the problem of lack of leaders. There are plenty of smart people, but by no means all of them can realize their potential in the course of political, state, and economic activity. You need other qualities in addition to intelligence. So, there has to be some kind of selection: Figuratively speaking, you have to take a sieve and shake it until only the large lumps are left. But that takes quite a long time. In order to flush out a few leaders many have to endure the millstones of political struggle, economic work, state activity, and so on. Take the USSR Supreme Soviet: New young and very interesting statesmen have emerged there in the course of two years' intensive work. Needless to say not all, but some deputies, have grown to maturity. That is selection for you.

Incidentally, note that people increasingly judge politicians not on what they say, on their statements and programs, but on their concrete deeds and actions. Now to another matter. Since there are winners, that means there are losers, too. I absolutely oppose the attempts to somehow hurt these people and cause them pain—which is happening, regrettably. In my view, we cannot act like that. We will be sorry later.

[Zverev] How do you regard the appeals for "the CPSU's bourgeois-liberal leadership to be expelled from the party," heard at the "Communist Initiative Movement"

Congress, which, incidentally, tried to adopt an alternative to the CPSU draft program couched in very conservative terms?

[Ivashko] If a person thinks that someone should be removed from his post, there does not seem to be any point in going into that: It is his opinion, after all. It is another matter when the reasons behind this opinion are insulting. That is quite inadmissible. They are typical of the people who tolerate these attacks.

I would draw your attention to another matter: the habit of labeling people. That is one form of the implacability that we mentioned. Some people describe me as a "bourgeois liberal" since I am a member of the CPSU leadership. Others describe me as a dyed-in-the-wool Communist. So what am I really? What kind of "bourgeois liberal" can I be if I hew to the Program Statement adopted by the 28th CPSU Congress? Find just one Central Committee Secretariat document whose spirit and letter differ from the Congress decision. You will not be able to. Anyone who says differently has not read either the Congress material or the Secretariat documents. As for conservatism, that charge is also not applicable to me, because I am a staunch supporter of reform.

I cannot say that I took that much offense at the statements to which you referred. I am simply grieved for people who have resorted to the old methods, methods that are now totally discredited, without thinking what is at stake. No good will come of pinning tags on people.

What is the difficulty in the position of the political center, which holds reason and constructive actions to be of paramount importance? It has to neutralize dangerous extremes and unite people on the basis of those problems on which they do not disagree.

PRAVDA Previews 25 July CPSU Plenum

PM1007140591 Moscow PRAVDA in Russian 6 Jul 91 Second Edition p 2

[Article by Aleksandr Ilin under the "Topical Subject" rubric: "Twenty Days to the Plenum"]

[Text] From the report "At the CPSU Central Committee Politburo" PRAVDA readers already know of the decision adopted to convene the next plenum of our party's Central Committee 25 July. The question of the draft CPSU Program and party organizations' tasks in discussing it will be examined.

Is there any need to explain what significance the new party program will have for the CPSU's renewal? The special interest with which Communists await it is understandable. For they are faced literally every day with complex questions which dictate the need to make a choice and to decide how to act and what to do. Where and in what is support to be sought here? Particularly as there is a wide range of opinions, approaches, and sometimes polarized views and conclusions in the party today. And the CPSU Program is designed to ensure the unity of the ideological principles and the political action of all party organizations.

I foresee objections: But there is the Program Statement of the 28th CPSU Congress and other all-party decisions. This was also mentioned by the participants in a recent session of the Commission To Prepare the New Program, who complained—quite rightly, in my view—that many party organizations took note, as it were, of the congress documents and shelved them. This is, unfortunately, characteristic of the present state of the party. Before the congress the PRAVDA editorial office received floods of letters demanding "Give power to the party masses," but today the majority of party organizations do not know how to manage the extensive rights they have been granted. Probably just one conclusion was readily accepted in certain primary organizations: It is possible, it was said, not to adhere strictly to some schedule for holding party meetings, and in some places they even stopped convening them altogether. Where, then, are Communists to exchange opinions and formulate their attitude to particular events in the collective, the city, and society? In smoking rooms, so it turns out, or at rallies, where they frequently talk such a lot that it makes your head spin.... And many people have a very peculiar understanding of the freedom of internal party debate—as an opportunity not to take much notice of the program provisions of the congress and to interpret them in their own way.

For example, supporters of the Communist Initiative Movement essentially come out from positions which differ sharply from those formulated in the course of heated arguments and adopted by the majority of delegates to the party forum. This is shown both by the latest stage of the "initiative" members' congress, held in Moscow recently, and by their statements in the press. The comrades ought to reflect on why their alluringly proclaimed "communistness" is certainly not increasing the numbers of the party's supporters but, on the contrary, is repelling more and more people with its straightforwardness. The results of the presidential election in Russia revealed that just a scanty section of the voters supports the candidates whose programs coincided in the main with the ideological principles of the "initiative movement." They should stop, look around, draw lessons.... But no, they have no wish whatever to abandon dogmas that are dear to their heart.

This is not to mention the notorious "Yedinstvo," which drew up the draft "Bolshevist Platform in the CPSU," which revives the iron postulates of "the leader of all times and peoples." And behind this "platform" one can see a chain of cars carrying off not so distant dissidents to the provinces.

Am I exaggerating? If only I were! I myself have heard from the lips of one such "fundamentalist" something that is still a wish, which, incidentally, was aired at that same session of the Program Commission: Let the

authors of the "noncommunist draft" of the new Program leave the CPSU. And you have probably read in the pages of a most orthodox party publication appeals to put on trial all who, it is said, have brought the party and the country to such a life and deviated from the well-known unquestionable "principles."

It is possible to understand any viewpoint, but not every one is worthy of respect. And if adherents of the "hard line" believe that they—and they alone!—are concerned about the CPSU's prestige, it would not be a bad thing for them to ponder: Are they not strengthening in the public consciousness the opinion that our party is incapable of renewal and so must quit the political arena?

It comes as no surprise when you hear such views from the lips of the CPSU's obvious political opponents, who have proclaimed the implacable struggle against Communist ideology as their main aim. But such doubts are arising today also in the minds of many party members who just cannot understand certain leaders of a conservative kind, who urge people almost to lie down on the rails so as to prevent the advance of the train of democratic reforms. Life is going on, people's deputies at all levels are adopting decisions, and the country is slowly but steadily entering a period of radical transformations, but they, eternally yesterday's people, are all standing "at their post," guarding what has long ago departed.

Who has what convictions is, of course, a personal matter. But if they are circulated widely in the press and are also attended by quite high posts in party structures, the impression might be created that precisely this is the face of the party, its overall position. I do not rule out the possibility that in this situation many people might be attracted to the appeal by a number of well-known figures to create a Movement for Democratic Reforms. Who nowadays does not want officially to become a democrat? And the aims proclaimed in the declaration are very noble—I say this without a shadow of doubt.

I think of one thing: How will it affect the party's destiny if its constructive, democratic forces realize their aspirations outside the CPSU and without its knowledge? Why outside it and without its knowledge? Only because certain initiators of the new movement, who have held or do hold a prominent position in its elected organs, have decided to try their luck in a different role, as though ashamed of belonging to the CPSU? Such a thing must happen: Precisely it, the CPSU, not only proclaimed the policy of radical democratic reforms but also overcame the grave legacy of its own past and its former monopoly on political leadership legitimated by the constitution and did a great deal for democratization, glasnost, the movement toward a rule-of-law state, etc. And now, it turns out, for further steps in the same direction it has, as it were, become a "wallflower." And this at the decisive stage of the work on the new Program, which—I cite the version of the draft—bluntly states: "...The CPSU considers it vitally necessary to uphold the policy of profound democratic transformations in society and to ensure the consolidation of all progressive forces and public movements." And again: "The party believes that the way out of the present situation lies not in the abandonment of perestroyka nor in the curtailment of democratization but in the vigorous and consistent implementation of reforms...."

Of course, different viewpoints came to light at the session of the Program Commission which our newspaper reported in detail, and criticisms were made of a number of points in the new concept proposed by the creative working group. Well, this is natural—it is a quest, a collective counsel. But, probably, no one apart from two or three speakers cast doubt on the fact that the party needs a progressive, democratic program channeling it to take the path laid down in April 1985. And that the party and all its components must act more decisively and competently, drawing lessons from the blunders and mistakes that have been made and taking account of the changes in the country and in the world. And here—again I cite the version of the draft that has been discussed—"the times demand the CPSU's resolute democratic renewal and its transformation essentially into a qualitatively new party...."

The CPSU Central Committee plenum is just 20 days away. To all appearances, these will be for Communists days of profound reflection and sober analysis of the experience and the contradictions of the development of the party and the country. And it cannot be otherwise. In order to answer the questions of concern to society, we ourselves must really get to the bottom of them. And truly express in our program, in our policy, and in our practical actions what the people are aware of and what they expect of our party.

Conference Discusses CPSU's Current Tasks

PM1107103791 Moscow PRAVDA in Russian 4 Jul 91 Second Edition p 2

[Report by I. Podsvirov: "The Conference Has Finished Its Work"]

[Text] The scientific and practical conference, which discussed problems relating to the organizational and political strengthening of the CPSU in the conditions of socialist renewal, concluded its work yesterday. A detailed discussion of the CPSU's tasks at the present stage took place over two days at the CPSU Central Committee Academy of Social Sciences, attended by party workers, academics, and secretaries of party committees and primary organizations from all parts of the country.

After the plenary session, debates took place in six sections. The intensity and urgency of the analysis was to a certain extent evidenced by the very names of the topics: "The Party and Society: The CPSU's Collaboration With Social Groups, Political Parties and Movements"; "Problems and Contradictions of CPSU Democratization, Strengthening Party Unity and Integrity"; "The Dialectics of Universal Humanity and Class in the Development of the CPSU's Social Base and the

Organization of its Membership"; "Restructuring the Party's Work in Conditions of Forming Market Relations"; "The Party and Democracy. The Work of Communists in Soviets and With Voters"; "The CPSU's Cadre Policy in Conditions of Political Pluralism and the Establishment of a Rule-of-Law State."

On the second day of the conference, work was conducted in seven "roundtables" at which discussion centered around the issues of the power of the party masses and the communist individual, the nature of primary party organization's activity in the labor collective, and political centralism: With whom and on what basis should there be consolidation? Themes such as these were reflected: "Horizontal Structures, Trends, and Platforms in the CPSU"; "Communists' Work in Local Self-Government Organs"; "Integrationist and Nationalist Strands in the Structure and Activity of the CPSU."

In accordance with the results of the conference's work, it is intended to publish the reports and the most interesting speeches and conclusions of its participants. But this needs to be done promptly, and not in the wake of rapidly changing events. This is the wish of many party workers and academics.

CPSU Central Committee Developments Listed

PM1007153591 Moscow PRAVDA in Russian 4 Jul 91 Second Edition p 2

[Unattributed report: "Journal's Latest Issue"]

[Text] Issue No. 7 of the journal IZVESTIYA TSK KPSS has left the presses and is being sent out to subscribers.

An article by O.S. Shenin, member of the Politburo and secretary of the CPSU Central Committee, entitled "The Party's Cadre Policy" opens the section "What the Party Is Working On." The same section also chronicles the Central Committee's work in May and carries the CPSU Central Committee Secretariat resolutions "On Strengthening the Work of Party Organizations in the Political Backup for the Land Reform Being Carried Out in the Country" and "On the Mechanism of Formulating, Implementing, and Monitoring the CPSU Budget."

The journal publishes the last installment of material examined by the CPSU Central Committee Politburo Commission on the supplementary study of material relating to the repressions which occurred during the 1930s, 1940s, and early 1950s. It is devoted to the so-called "counterrevolutionary Democratic Centralist organization led by T.V. Sapronov and V.M. Smirnov."

The rubric "The CPSU and the Outside World" carries a commentary by the Central Committee's International Department on the plan for the CPSU's ties with foreign parties in 1991, information about the experience of left-wing parties' activities in East European parliaments, and information about referendums abroad.

The section "Conversation With Readers" contains a review of readers' letters on historical topics, the final installment of the publication of documents from the history of the struggle against Lysenko's ideas, the continuation of I.V. Stalin's correspondence with V.M. Molotov (from 1926), and answers to readers' questions.

Cabinet Okays Barter With Ex-CEMA Partners

LD0807214491 Moscow Radio Moscow World Service in English 1200 GMT 8 Jul 91

[Text] Following long delays the Soviet Cabinet of Ministers has finally adopted a decision permitting enterprises to use barter in relations with former Comecon partners. This right is given only to state enteprises with tough restrictions on exports and imports. For one, farming and mining industries are prohibited to export their output. As far as imports are concerned they are allowed mainly for machinery, equipment, medicines, and foodstuffs.

Cabinet Resolution on Payments to Working Students

LD1007145591 Moscow All-Union Radio Mayak Network in Russian 1400 GMT 10 Jul 91

[Text] A resolution of the USSR Cabinet of Ministers is aimed at stepping up the social protection of blue-collar and white-collar workers who combine work with study. The government has introduced changes in the clause on benefits for that category of students and young people in study.

The restrictions on payment of additional leave to those who work and study in evening and long-distance departments have been lifted from now on for the period of basic instruction, carrying out laboratory work, sitting tests and examinations, and for the preparation and defense of diploma projects.

The payment for study leave used to be limited to 100 rubles [R] a month for students of higher educational establishments and R80 for technical college students, but now both retain their average wage for the last year of work before the leave.

Interior Ministry Official on Organized Crime

OW1007234491 Moscow INTERFAX in English 1530 GMT 9 Jul 91

[Transmitted via KYODO]

[Text] Major-general Aleksandr Gurov, chief of the 6th main department of the USSR interior ministry, said at Tuesday's briefing at his ministry that the presence of organized crime in the USSR is obvious.

Lately 1641 criminal groups have been revealed, said Gurov. At the moment some 5,000 such groups are in the field of vision of law- enforcing agencies.

In the meantime interior ministry experts believe that in the near future crime will be on the rise because of the worsening economic situation in the state sector and declining production.

In the past 2 years, said major general Grigoriy Sheludko, spokesman for the Ukrainian special police units, the state itself has been procreating organized crime.

According to the general, legislators pass hasty, unconsidered laws which bring new kinds of economic activity without due control on the part of the state and without an effective system of tax inspection. The process of primary accumulation of capital in the country is progressing by means of simple thieving and money laundering, he said.

According to G. Sheludko, this process is accompanied by "horrifying corruption". It's virtually impossible to get anything without a bribe. The decision to carry out privatization was another poorly considered step, said the general. Such a law requires careful consideration, general G. Sheludko pointed out. Otherwide this will open opportunities for even greater corruption and lead to another outbreak of crime.

Liberal-Conservative Union Conference Scheduled

PM1007154791 Moscow IZVESTIYA in Russian 3 Jul 91 Union Edition p 1

[Item from roundup of IZVESTIYA, TASS, RIA, IAN, BALTFAX, REUTER, AFP reports: "Liberal-Conservative Union Set Up"]

[Text] The constituent conference of the liberal-conservative union is scheduled for late September, according to Larisa Zinchenko, one of its organizers. The initiative behind the union comes from Gary Kasparov and Arkadiy Murashev, who left the Democratic Party of Russia [DPR] this April, accusing its chairman Nikolay Travkin of nondemocratism in intraparty affairs and of deviation from the DPR's original principles, including rigid anticommunism. At that time they voiced their intention to set up an organization with traditional conservative orientation in the spirit of Thatcherism, RIA reports.

Larisa Zinchenko claims that Kasparov and Murashev now have supporters in roughly 80 cities virtually throughout Russia, both within and outside the DPR. The liberal-conservative union is currently forming its organizational committee and work on the draft statutes and program should be completed in August. The intention is to decide the new party's name once and for all at the constituent conference.

Sergeyev's Call for CPSU Congress Viewed

PM1007103191 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 25, 23 Jun 91 p4

[Article by Olga Bychkova under the "Facts and Details" rubric: "Proletarian Dictatorship Again"]

[Text] "Drive M.S. Gorbachev's faction from the party, as its policies are not in the people's interests, and dissociate ourselves from the Gorbachev-Yeltsin and Yakovlev-Shevardnadze course, which is disastrous for the USSR and Russia...." That, in the opinion of CPSU Central Committee member Aleksey Sergeyev, must be the task of an extraordinary party congress. Sergeyev recently announced the need to convene such a congress and has taken the initiative to set up an organizational committee.

Aleksey Sergeyev, who was General Albert Makashov's running mate as candidate vice president in the recent elections and is head of department at the Academy of Labor and Social Relations, is not only well known as an orthodox political economist. He is the generally recognized leader of the United Front of Working People and the conservative Communist Initiative Movement.

Struggling against the CPSU Central Committee general secretary is the most important aspect of the movement's activity. In any case, that is what has made it renowned: For some two years now orthodox Communists have been working to bring down the "Gorbachev team." The last serious attempt was made at the April plenum of the Central Committee and Central Control Committee, and, before that, a year ago, at the 28th CPSU Congress—also unsuccessfully. That particular unsuccessful attempt, however, increased Aleksey Sergeyev's confidence: Despite the clear victory for Gorbachev's policies, a secret ballot of delegates made him a member of the Central Committee. "They knew who they were voting for: There were far fewer votes against me than against Abalkin, for example."

This discrepancy between the covert and the overt finally convinced Sergeyev that Communists must be approached directly, bypassing the "party chiefs." According to the CPSU Statute, an extraordinary congress may be convened if demanded by 30 percent of Communists. Sergeyev believes that he will be supported by a sufficient number of primary organizations, rayon party committees, "and possibly even oblast party committee plenums in some places." An initiative committee has already been formed. It has three members in addition to Sergeyev—two of whom are RSFSR [Russian Soviet Federated Socialist Republic] Communist Party Central Committee members—and others are expected to join.

"Why is everyone so afraid of a coup d'etat? It has already happened: Laws on ownership and enterprise have been adopted," Sergeyev believes. "The CPSU has no time left. Either it purges its ranks or it will cease to exist—in which case Russia will depart the world arena as a great state."

Obviously, a date has not been set for the future congress. But however hypothetical its taking place may seem, the very fact of an appeal to "convene a congress and sort things out" seems to form a logical part of the "right flank's line of defense." Everyone here is coming

out of his trench—large or small. The USSR Supreme Soviet is opposed to the Novo-Ogarevo alliance, a public prosecutor is laying down the political law, the commander of a military district is waging his own war, and a USSR chief is destroying a newspaper.... Whatever next?

...Aleksey Sergeyev has published two addresses at which party organizations and labor collectives can send him resolutions demanding an extraordinary congress. Staraya Ploshchad in Moscow and Proletarian Dictatorship Square in Leningrad....

Moscow Mayor on Goals of United Democratic Party

AU1107101891 Vienna AZ in German 11 Jul 91 pp 4-4

["Exclusive" interview with Moscow Mayor Gavriil Popov by IAN correspondent Dmitriy Gaymakov; place and date not given: "A Party Keeping Distance From Power?"]

[Text] [Gaymakov] The democratic forces in Russia won a convincing victory at the recent elections. Why is it necessary to found a new party just now?

[Popov] I think that we really won a victory at these elections. However, we must not get intoxicated by this victory. We won the elections, above all, thanks to Russia's extraordinary presidential candidate—Boris Yeltsin. We must be aware of the fact that the democratic process cannot be guaranteed by one person alone, even if he is the most serious man possible.

[Gaymakov] How do you envisage the organization, the founding of which you are advocating?

[Popov] We need a "United Democratic Party." "United" because it unites various movements. "Democratic" because it unites the movements of a very specific, democratic orientation. "Party" because it takes over certain obligations concerning discipline, organization, and work order.

[Gaymakov] When will the new party probably be founded?

[Popov] I can only give you my personal opinion: as quickly as possible. One would have needed it yesterday.

[Gaymakov] Will this be a party that will have many millions of members, just like the CPSU?

[Popov] No, we do not want to found a party with many millions of members. It is sufficient if it has half a million members or a bit more.

[Gaymakov] However, are the democratic parties of Russia and other republics able to ensure the founding of a party with half a million members?

[Popov] Of course, at the moment, there are no such forces. At the same time, however, there is the democratic party of Nikolay Tarvkin, the Republican Party, the Social Democratic Party, which also should discuss this issue. In addition, in the CPSU there are a number of various movements—the "Communists for Democracy," for instance. In my view, even in the organizationally functional part, there is a sufficient number of movements that could form the basis of the new parties. At the same time, an enormous number of people, in particular constructively thinking economic managers, intellectuals, and others, could actively participate in the work of such a party.

[Gaymakov] Do the founders of the party plan to "break out" part of today's CPSU members?

[Popov] I think that one must indeed set such a task for oneself. For me it is absolutely clear that the CPSU has long ceased to exist as a unified party. This became sufficiently clear at the elections—in Russia as a whole and in Moscow.

[Gaymakov] Recently People's Deputy Galina Starovoytovaal said in an interview for Radio Liberty that she thinks that Mikhail Gorbachev also supports the founding of a new democratic party. Do you have any facts to refute or confirm such a view?

[Popov] I do not have any facts to confirm this. However, I have more than enough facts to refute it. He is general secretary of a competing party and is still working in it.

[Gaymakov] The blurring of the standpoints about membership makes it seem conceivable that this new party will be of a temporary nature. Is this correct?

[Popov] Yes, quite correct. We need a party that is striving for victory at the elections. Afterwards, it should distance itself from power to a certain degree.

[Gaymakov] What do you think: Should Boris Yeltsin join the new party?

[Popov] I cannot answer for Yeltsin. However, in my view, this would probably be inappropriate for him. If he had done this before the elections, this party would have led him to victory and he would owe his victory to this party; therefore, it would be understandable that he accepts its goals. As things are, he presented himself to the voters as an independent candidate.

[Gaymakov] Will the new party have a social-democratic orientation?

[Popov] No, a democratic one.

[Gaymakov] Could President Gorbachev turn away from the CPSU today an join the new party?

[Popov] As regards the first part of the question, I would have recommended to him to do that many years ago. Which party he should join is his business....

Weekly Review Eyes Union Treaty, New Party

PM1007113591 Moscow KRASNAYA ZVEZDA in Russian 6 Jul 91 First Edition p 1

[Article by Vyacheslav Lukashevich under the "Seven Days" rubric: "Democrats—to the Left, Others—to the Right?"]

[Text] Perhaps we should rejoice that some journalists, statesmen, and even party leaders have suddenly begun saying that the peak of confrontation in our difficult and at times tragic progress along the road of perestroyka has been passed. It is as though we have already caught glimpses of blooming "alpine" valleys with peacefully grazing herds of plump cattle. And idyllic pictures are being painted: An orthodox Communist strolls in friendly conversation with an ardent anticommunist along an avenue of lime trees, while an ingrained conservative embraces an emancipated radical...

Ah, this imagination is the weakness of poets! But politicians, what about the politicians? People who are doomed to stifle their own song? Mao Zedong or Yuriy Andropov, for instance, used to conceal their poetic gifts, and indeed, some modern leaders encode their artistic pseudonyms so thoroughly that even the penetrating computers which foreign firms offer for hard currency cannot fathom them.

But all the same, as a certain Russian poet said, all the same... "Dreamers" in the political arena have not died out in our country. "The dream" sticks to all of society's sores like a sterile plaster, but the harebrained schemes are not the same and indeed, society itself, alas, has changed. And yet everyone pursues his goal and makes it as fantastic as his imagination allows...

Some people, it is true, are already having some success. It is now perfectly obvious that the supporters of the collapse of the "empire," it may be claimed, have to all intents and purposes scored definite successes (forgive the stagnant style). And I will say frankly that this for me is like a knife in the heart. Because I, like many Soviet citizens, naively assume that what they have pulled apart is not an "empire" but a mighty, historically formed state, your motherland and mine that was created over centuries by our great forefathers.

But, as we know, it is easier to break things up than to stick them together. Now we are sticking things together. Now in the Kremlin, now in Novo-Ogarevo dachas. We are seeking this concord, this footpath from the summit of confrontation to the peaceful "alpine" meadows, we are clearing away countless obstructions and stones. And we do not know from under what cliff the cherished spring of mutual understanding and stabilization will gush forth. Or whether it really is to be found in this direction, along a road which some people are clearing, others blocking up.

It seems that almost everyone has realized: Nothing will be achieved without a new Union treaty. Neither in the Center, nor in the republics. I do not know what answers the USSR president will give at the 17 July G-7 meeting in London in reply to the tough questions posed to him at the 2 July conference: Is the "nine plus one" agreement in force, will the Union treaty be signed, with whom must business be done in the USSR if everyone declares their "sovereignty"; but these questions should, I think, be answered, and before our fellow countrymen. Perhaps, before all else. And not only by the Union president, but by the republican presidents as well. After all, in our troubled times even the old saw that smoke is thinner lower down in the pipe does not hold good. Sometimes it is thicker too.

The process of signing the Novo-Ogarevo Treaty, from my point of view, is today shrouded in the pre-London fog. The same goes for that unhappy peak which we allegedly have already passed. It all depends on the strength of the imagination. And if this imagination is given a free rein, then it is possible to imagine (and this is most likely to be closer to reality) the next peak looming up sheerer than the last.

Thus, I repeat, there is not yet any cause of optimism as regards the signing of the document which is now so essential and would at least somehow bind together nine or 10 republican entities (sovereignties). The Novo-Ogarevo schedule is breaking down, new obstacles are appearing, and consequently the anticrisis program hammered out by the country's Cabinet of Ministers jointly with the republic premiers is falling apart.

The signing of another treaty—an economic treaty—is more realistic in the near future. This treaty emerged from G. Yavlinskiy's "April Theses" written in Harvard, and was dubbed the "nine plus three plus three" in Alma-Ata. It is proposed that this economic alliance between all the republics be signed without the center's participation, and therefore without taking on any obligations to the center. It is not hard to guess that this will be advantageous even to the republics which absolutely refused to put their signature to the Union Treaty. In principle the exposition is the same: A cow, let us say, is standing on the Soviet-Lithuanian border, cropping Union grass, but producing milk that is independent and autonomous.

The last seven days may seem to some people to have been calm and serene, like the Moscow sky in July. But, even in this debilitating 30-degree heat, sudden storms have been continually arising. Just as suddenly, a new movement—which has received the name "Democratic Reform Movement"—has announced itself. However, attentive Soviet citizens might have heard about it earlier from a statement by former Foreign Minister E. Shevardnadze in a U.S. city. Then it was "G. Popov and I," but now it has become clear that it is "A. Yakovlev and I" who intend to set up a democratic superparty in opposition to the CPSU "in support of the USSR president". According to the "founding fathers'" plan, the

movement-party is to absorb all noncommunist parties wishing to unite, and even the "reformist wing of the CPSU."

Last Sunday journalists were handed an appeal signed by nine politicians: A. Volskiy, N. Petrakov, G. Popov, A. Rutskoy, A. Sobchak, I. Silayev, S. Shatalin, E. Shevardnadze, and A. Yakovlev. Two days later, at a press conference in the Moscow City Soviet's Marble Hall, it was revealed that the "nine" were incomplete—S. Shatalin, who was in London, had refused to sign the appeal. Commenting on this document, MOSKOVSKIYE NOVOSTI remarked: "Of the seven typed pages, the richest in content turned out to be the last, which had the names and signatures of the authors." I would not have focused attention even on the last page however—the names of the authors are written all over the document.

Perhaps, however, there is interest from the sociological point of view. Judge for yourselves: Almost 38 percent of the "octet" are members of the CPSU Central Committee and the Russian Communist Party, 100 percent originate from the Communist Party, and 50 percent are in high-level executive power. Those who, let it be noted, left the CPSU on the premise that "soviet power can only be managed if one is above party broils" are, a year later, again trying to hurl themselves into broils again, but this time in the name of another party.

Yes, agreed, the first six pages of the appeal hardly surprised anyone with novelty of positions or political standpoints. After all, the gist of them was expounded back in the 28th CPSU Congress Program Statement "Toward a Humane, Democratic Socialism." But these positions are considerably supplemented, in my view, by the program article by one of the initiators of the new movement-party, A. Yakovlev, entitled "A New Step Is Needed" and published by IZVESTIYA.

Written in the same style as the appeal, this article by the former Politburo member, who was at the time the CPSU's chief ideologist but today is just an ordinary CPSU member, is noteworthy above all as a critique of the party's current leaders. A spirit of the [Chinese] "Red Guards battle against cadres" and "against party leadership at all levels" pervades every column of the article. The author does not even admit the idea that Communists and the party as a whole, which launched the democratic perestroyka in the country (together, incidentally, with Aleksandr Nikolayevich), can promote transformations in the country. Oh no! "The old structures remain exactly as they were," he writes. "The only thing missing is the iron fist of old looming above them, which was built into the Stalinist-Brezhnevite structure. And look at them—some have simply let themselves go and are doing nothing, others are working exclusively for themselves, and yet others are fervently thrusting spokes in the wheels of transformations."

Really, here is someone who has "simply let himself go!"

The following underlying principle of the writer also deserves attention: "All of us, society as a whole and all of its parts and institutions, are standing before a watershed, the depth and strength of which we are only just beginning to understand. Before the inevitability of drawing a clear-cut political borderline between those who are for renewal and those who are against..." Do you sense what the crux of the matter is? To draw up a "clear-cut political borderline." And it is better, perhaps, to do what foresters do and mark with notches those trees which are to be cut down, in other words those compatriots who do not agree with the statement by the initiators of the Democratic Reform Movement. Democrats to the left, others to the right, to put it more simply. But history attests that separation has never united society.

That the future "superparty," whose final form will take shape at the founding conference in September, will become an alternative CPSU was stated frankly in the Moscow City Soviet's Marble Hall. It has not been ruled out that this will deal yet another blow to the CPSU itself. Well, time will tell whether the founding fathers' hopes are justified. Especially as the attempts by the "Democratic Platform" and other reformist forces are still fresh in the memory. In the upshot it was they who split, and not the CPSU. Moreover, there is no unity even among the "democratic" forces. Right at the very outset, N. Travkin, leader of the anticommunist Democratic Party of Russia, has rejected union with the Democratic Reform Movement. No agreement had been reached with the leaders of the social democrats or the republicans either. As of today they are thinking over union.

All the signs suggest that the "signatories"' prestige is no longer effective, while the appeal's eroded principles give the idea that, to use the very words of A. Yakovlev, this process is being inaugurated "somewhere on the wayside, and not from the life of the people."

However, one would like to believe that, as the heat in the capital subsides, the heat in which "our revolted reason seethes apace," the efforts by all politicians, irrespective of which of the now countless parties they belong to, will be aimed not at political squabbles, but at easing the lives of the people, saving the Fatherland, its dignity and honor. Without illusions or fantasy but on the basis of common sense and existing realities.

Cabinet Leading Cadres Training Agency Formed

PM1107135191 Moscow PRAVDA in Russian 11 Jul 91 Second Edition p 1

[TASS report: "Cadres for Management"]

[Text] The USSR Cabinet of Ministers has formed a state agency for training leading cadres under the USSR Cabinet of Ministers (USSR Goskadry) whose most important task will be the elaboration and implementation, in collaboration with the governments of the republics and with other organs of management and scientific and public organizations, of a union-republican program

for the development and effective use of management potential under the conditions of the transition to the market.

For the collective elaboration of decisions and the all-around consideration of the interests of the republics, the agency is forming an interrepublican coordination council consisting of representatives of the republics' governments, USSR ministries and departments, public unions, associations, enterprises, and scientific and educational establishments. It has also been instructed to form a network of specialized training centers.

The USSR Goskadry has been given responsibility for implementing existing intergovernment agreements and preparing new ones in the field of training management cadres and for using the assets of international funds and programs formed for the purpose. The functions of coordinating the activity of state organs in fulfilling duties stemming from intergovernment agreements between the USSR and other countries have been transferred to the agency.

KGB School Holds Open House

PM1107103491 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 91 First Edition p 4

[Report by correspondent Lieutenant Colonel A. Plotnikov: "Without the Cloak and Dagger: Open Day at the USSR KGB Higher School"]

[Text] A boy of about 14, in large horn-rims, stretched his neck like a goose and, holding his breath, listened to Lieutenant General Leonid Andreyevich Postnikov, chief of the USSR KGB Higher School. But when the general spoke about the good health and excellent physical attributes needed for entry into the chekists' alma mater, the boy drooped.

On that Sunday, 7 July, there were a great many boys at No. 4, Pelshe Street, dreaming of exciting chases after spies, ambushes, and searches for secret hiding places. The club, which has 1,100 seats, would not hold them all—people were standing in the passageways. The KGB Higher School had opened its doors to everyone for the first time in the years of its existence—since 1930.

To all appearances, the guests found it interesting. The once secret information made some of them feel confused, others euphoric. Especially when Candidate of Technical Sciences Colonel Anatoliy Ivanovich Petrovich spoke about counteracting foreign technical intelligence.

"The sum of money allocated every year to U.S. intelligence alone is in excess of $20 billion," he said. "There are now more than 40 spy satellites in space. Some of them monitor radio relay links within the Union, including intercity telephone conversations."

For the doubters, Petrovich demonstrated how you can listen to a telephone conversation with the help of an ordinary radio receiver, how a domestic television set can depict the work of a VDU, and how a conversation can be recorded through a 5-meter-thick wall.

"Methods of combating foreign technical intelligence are taught at the technical faculty at the KGB Higher School," he reported in conclusion.

There was just as much interest in the school's history. But Colonel Yevgeniy Stepanovich Chebotkov, chief of the chekist study room, not only answered everyone's questions, but introduced the most curious people to distinguished chekists.

The guests visited the hostel, sports hall, and library, which has more than 1 million books. They learned that the faculties of military counterintelligence and territorial counterintelligence, the technical faculty, and others are looking for prospective students, including secondary school graduates. The military translation faculty wants girls too.

It is quite easy to find the USSR KGB Higher School—a sign will soon be appearing outside No. 4, Pelshe Street.

Paper Accused of Distorting KGB Statement

PM1107103991 Moscow SOVETSKAYA ROSSIYA in Russian 5 Jul 91 First Edition p 3

[Letter to the SOVETSKAYA ROSSIYA editorial office from N. Maklakov, V. Borisenko, V. Gromov (20 signatories altogether): "Sensationalizing"]

[Text] Esteemed Editorial Office,

On 19 June this year KOMSOMOLSKAYA PRAVDA published a statement by Aleksandr Politkovskiy, RSFSR [Russian Soviet Federated Socialist Republic] people's deputy, addressed to Comrade V.A. Kryuchkov, chairman of the USSR KGB. It requested an explanation of the basis on which the KGB carries out the protection of individuals.

On reading this statement we were extremely surprised that the people's deputy should seek an answer to his interesting questions not at the USSR KGB, nor the RSFSR KGB, but at a newspaper editorial office. We could not help but feel bewildered: Why does A. Politkovskiy, who is entitled to submit a deputy's enquiry to any authority, feel the need for such an approach? The tone of the statement, which was frankly overfamiliar and insulting to any self-respecting person, grated. We regarded replying to such a "screed" as beneath our dignity. However, we did not wish to seem aggrieved and since the questions directly concern the USSR KGB protection service, we instructed a member of our staff, namely V. Aleynikov, to prepare an expeditious response for the newspaper.

KOMSOMOLSKAYA PRAVDA published it 25 June under the eye-catching headline "KGB Responds to Politkovskiy." How amazed were we then to discover

that precisely those passages which, in our view, contained answers to the questions put by Politkovskiy were omitted from the text. And moreover, the editorial office carried its own extensive commentary in the newspaper. Why? After all, the Law on the Press says nothing about such a "right" on the part of an editorial office to its own interpretation of published responses and rejoinders. On the contrary, Article 26 of the Law grants such a right to citizens and organizations whose interests are affected or personal dignity offended in the press. But clearly the editorial office has its own way of interpreting the law.

The commentary contains the simultaneous charge of "avoiding" answering the questions and repeating them. The following complaint is also voiced: Why did the USSR KGB chairman not personally respond to Politkovskiy and why did V. Aleynikov not indicate his rank and office? But supposing the latter were outranked by the people's deputy, which would clearly have been insulting to Politkovskiy, who did not pass up the opportunity to list all his titles.

...But let us return to those passages which KOMSOMOSLKAYA PRAVDA deemed it unnecessary to publish. The response reported, in particular, that the protection service could, on the USSR president's instruction, provide protection for political and public figures in the country, but paid for by the parties and organizations making the application. USSR people's deputies who are threatened with physical violence can be placed in that category. We have never made a secret of that. We gave KOMSOMOLSKAYA PRAVDA a direct answer on that score. However, the editorial office struck it out.

People's Deputy Politkovskiy, like millions of readers, should be aware of the KGB's budget approved by the USSR Supreme Soviet. It comes to 4.9 billion rubles [R], of which 2 billion is assigned to the border troops. The protection service is financed out of that budget. We receive not an extra kopek from anywhere for our own needs. And if, for example, one of the existing parties decided to ask for protection for its leaders, that is possible provided that a decision is taken on this in the USSR Supreme Soviet and the necessary funds are disbursed by the party. Taxpayers' money, on which Politkovskiy places special emphasis in his bid to win readers over, is not involved here.

Incidentally, such practice exists in many countries in the world. As far as the question of protecting L.P. Kravchenko, chairman of the All-Union State Radio and Television Company, is concerned, however, Politkovskiy's assertions "about the presence of a dozen bdyguards" do not correspond to the truth. And the truth is that Kravchenko and certain other people's deputies have received repeated alarming threats of physical violence. We are presently engaged in checking a report about the criminal intentions of the members of an extremist group. In so doing we operate like other special services in civilized countries. The protection service cannot ignore reports of such kind. Incidentally, it will clearly not be without interest to readers to learn that in the United States a person can be sentenced to three years of imprisonment just for issuing a threat to the President by telephone.

It is not clear why Politkovskiy and the KOMSOMOLSKAYA PRAVDA editorial office needed specially to focus readers' attention on obvious questions with which everyone is well acquainted. Perhaps this is another attempt to draw the attention of the public to KGB activity? But would it not have been better to investigate the legal basis of the current protection offered to officials in certain cooperatives and joint ventures and to the nouveaux riches?

We think that in its sensationmongering KOMSOMOLSKAYA PRAVDA has misinformed its readers on the crux of the questions as set forth in the response. It again presented them as "unanswered," having no qualms in so doing about leveling yet another undeserved reproach at the author.

We earnestly request that the SOVETSKAYA ROSSIYA editorial office publish this text.

Andropov Defended Against IZVESTIYA Attack

PM1007141991 Moscow KRASNAYA ZVEZDA in Russian 4 Jul 91 First Edition p 2

["Letter to the Editorial Office" from Economist V. Kryuchkov: "Andropov Was Different"]

[Text] I read the IZVESTIYA series about the loss of the South Korean Boeing-747, which was downed 1 September 1983, with a certain amount of interest. It was a pity that the newspaper restricted itself to just one version. And even if it did, it seems to me that the aircraft was nevertheless more than just a passenger aircraft. Otherwise the U.S. side would have been able to present us with counter-arguments. But it has not done so.

But I would like to mention something else: Why connect this old story today with the name of Yuriy Vladimirovich Andropov, and moreover, why make hasty generalizations. It is likely that the people who benefit to the full from today's total license want to compromise a past leader of our country. He started by strengthening discipline, in other words, by doing something without which the best and most correct reforms are impossible. I remember very well the great approval with which most people welcomed Yu.V. Andropov's resolute policy geared to the strengthening of order in the country. It is most unfortunate that fate granted him too little time.

I think that writer A. Illesh (IZVESTIYA No. 129 of this year) takes too much upon himself when he speaks on behalf of "all of us" about Yu.V. Andropov's allegedly contemptuous attitude toward people and toward human rights. I affirm: During the time that Yuriy Vladimirovich headed the USSR KGB, the attitude

toward people who broke the law—the law current in that period, naturally—and therefore found themselves objects of the state security organs' attention, was exceptionally humane.

I happened to appeal to Yu.V. Andropov twice with personal requests when I was going through a difficult time. On both occasions I received a proper response, one that I found satisfactory, and I sensed that I was being treated as a human being. Although the essence of my requests did not really fall completely within the committee's functions.

The writer's dissatisfaction with the fact that "marshals and generals did not want to get involved in detailed explanations to IZVESTIYA" caught my eye. I assume that they have their reasons for this.

[Signed] V. Kryuchkov, economist.

P.S. I was going to send this letter to IZVESTIYA, but I changed my mind at the last moment. I somehow feel that they would just throw it away.

Independent Writers' Union States Objectives

PM1007084191 Moscow SOVETSKAYA ROSSIYA in Russian 5 Jul 91 First Edition p 2

[TASS report: "Boundary Marker in Writers' Camp"]

[Text] The group of writers which has announced the creation of the Independent Writers' Union sees the new professional organization as independent of the state and all parties.

"This considered and difficult decision was not made in any way to split literature, but to give it vibrant life," says its published manifesto, which is signed by A. Adamovich, G. Baklanov, V. Bykov, A. Voznesenskiy, O. Volkov, D. Granin, Ye. Yevtushenko, P. Zagrebelnyy, S. Kaputikyan, D. Likhachev, B. Mozhayev, Yu. Nagibin, R. Rozhdestvenskiy, O. Suleymenov, G. Emin, and other well-known writers.

By changing the wording USSR Writers' Union into Independent Writers' Union, the authors of the manifesto write, we repudiate any political link with the territorial form of interstate relations. Literature is not a political link among states but serves as a spiritual link among the peoples.

While demarcating itself from the USSR Writers' Union the new creative organization nevertheless considers it unjust "to reject indiscriminately everything done" by it during its almost 60-year history. It accepts "considerable blame for historical mistakes, compromises with its conscience, inadequate resolution in a number of questions, intentional or unintentional silence, and unacceptable passivity concerning the prevailing situation."

The writers of the statement see the task of the future Independent Writers' Union as "defending professional interests from the arbitrary rule of the state, all party supervision, all political groupings, cynical commercialization, and the standardization and leveling of artistic striving."

Mothers of Army Victims Start Week of Protest

LD0907093391 Moscow Central Television First Program Network in Russian 2042 GMT 8 Jul 91

[From the "Television news service" program]

[Text] A week of protest actions by the movement of Russian soldiers' mothers began in Moscow today. Parents of deceased children for whom life was just beginning have come here from various towns of our country. And their murderers live alongside us. Perhaps they are already bringing up their own sons. According to these women, despite the presidential decree of 15 November last year, there have been no changes in our army. Bullying flourishes as before. Zinc coffins are arriving for mothers as before. The true causes of the death of their sons are concealed as before. [video shows women with placards in city gardens, passers-by looking on, then interview with L.M. Lyman]

[Correspondent Shilova] Tell me, what steps could your movement suggest to put an end to the lawlessness in the army?

[Lyman] That immediately, with parliamentary supervision, the republican and civil procuracies should investigate all the cases of deaths of servicemen. That would serve to save the living ones.

[Shilova, over video of placard hung from tree reading "stop the extermination of our sons in the Soviet Army!"] And let those elected by the people remember that this is in fact an instance where delay means death.

Christians To Meet With Pope in Poland

OW1107053791 Moscow INTERFAX in English 1250 GMT 10 Jul 91

[Transmitted via KYODO]

[Text] Some 18,000 Christians from Russia, the Ukraine, Belorussia and the Baltic republics will attend the 6th World Youth Day. During the festivities in Czestochowa they are expected to meet Pope John Paul II. The statement was made on Tuesday in Warsaw by Archbishop Tadeusz Kondrusiewicz appointed the Roman administrator of the European part of Russia.

The World Youth Day has been observed under the auspices of the Catholic church in different parts of the Christian world since 1986. This time it will take place in Poland on August 13-14.

On August 7 and 10 also in Czestochowa the church will hold in international forum on youth facing the challenge of freedom to which two delegates have been invited from Moscow and two from Belorussia.

Reports of Changes in Muslim Leadership Denied

LD1007092391 Moscow TASS in English 1940 GMT 9 Jul 91

[By TASS correspondent Anna Grigoryeva]

[Text] Moscow July 9 TASS—Reports in some Moscow newspapers about Chairman of the Central Asian Muslim spiritual department Mufti Muhammed Sodik's dismissal from his duties are not completely true, said First Deputy Chairman of the Soviet Muslim organisations' International Department Haji Abdurashid Dudayev told TASS.

The Council of Imams has no right to determine the spiritual council's composition. As for accusations against the mufti of abuse of power and sanctions against him, only the congress of Central Asian Muslims has the right to discuss them, Dudayev said.

Dudayev noted that reports in the form they have been published, are misinforming the public.

TASS Reviews Press for 11 July

LD1107070791 Moscow TASS in English 0700 GMT 11 Jul 91

["Press Review"—TASS headline]

[Text] Moscow July 11 TASS—Newspapers frontpage accounts of Wednesday's ceremonial session of the Congress of the People's Deputies of the Russian Federation, at which Russia's first president Boris Yeltsin was sworn in and assumed office.

The reports contain a programmatic speech by the president of the Russian Federation and speeches of greetings made by USSR President Mikhail Gorbachev and Patriarch Alexiy II of Moscow and all Russia.

Yeltsin voiced firm conviction that Russia would turn into a "prosperous, democratic, peace-loving, law-governed and sovereign state".

PRAVDA and SOVETSKAYA ROSSIYA run a congratulatory message sent to Yeltsin by the Politburo of the Central Committee of the Communist Party of the Russian Federation.

"Russia is in for tough times ahead. A choice has been made, the main thing for Yeltsin and all of us is to be worthy of this choice" is how KOMSOMLSKAYA PRAVDA comments on the assumption of office by the president of the Russian Federation.

Newspapers cover the proceedings of the Soviet parliament which on Wednesday adopted in particular a new law on limiting the monopolistic activities in the USSR.

PRAVDA carries a message of greetings from Mikhail Gorbachev to President Punsalmaagiyn Ochirbat of the Mongolian People's Republic on the occasion of the 70th anniversary of the people's revolution in Mongolia.

The Soviet president wished "our neighbour—the Mongolian people—peace, well-being, economic and cultural advance, and the attainment of the goals that have been set recently".

There is a big contribution to PRAVDA by Mongolian President Ochirbat. The article is headlined "about the jubilee with hope and without embellishment".

Responsibility and honesty are the main things in politics, Stanislav Gurenko, member of the Politburo of the Soviet Communist Party Central Committee and Ukrainian Communist Party chief, points out in an article in PRAVDA.

The situation in the country, Gurenko writes in particular, "imperatively demands that the Soviet Communist Party should have a clear-cut and thoroughly considered system of measures understandable for the people to lead the country out of the deadlock—a programme of action on the basis of which it would be possible to consolidate society and unite all patriotic forces".

SELSKAYA ZHIZN (RURAL LIFE) and SOVETSKAYA ROSSIYA run reports on the state of affairs in harvesting in Kuban and Stavropol territories.

SOVETSKAYA ROSSIYA carries an interview with Alexander Kuyemzhiyev, chairman of the Krasdonar territorial agroindustrial union. "One should not stir up passions. It has been alleged that Kuban territory began to produce less and less grain, meat and milk. On the contrary, it continuously boosts production," he said.

In an interview published in SOVETSKAYA ROSSIYA, Nikolay Udodov, deputy head of the professional and labour education department of Leningrad, dwells on how the country's once best system for the training of workers has found itself on the verge of collapse. As time went by, the future of the working class gradually turned into a secondary problem in society's eyes, giving way to arguments about a new set-up of society, Udodov observes.

The causes of the failure of efforts to combat organised crime are analysed by SOVETSKAYA ROSSIYA in a signed article.

Soviet Interior Ministry specialists, psychologists and scientists have long worked out a comprehensive programme for combatting crime, the article points out in particular. But it has been shelved somewhere in high places. The same fate probably awaits laws on combatting organised crime and corruption. Without such laws, the fight against the domestic mafia resembles a child's game, the article points out.

Lieutenant-General Boris Tarasov, chairman of the Coordinating Council of the Otchizna (Fatherland) group of deputies and a people's deputy of the Russian Federation, acquaints the readers of KRASNAYA ZVEZDA (RED STAR) with the new patriotic movement.

"The All-Russia Patriotic Movement Otchizna is aiming to unite all patriotic forces in the name of preserving the statehood of the Russian Federation, equal rights and freedoms for all nations inhabiting it," the general said.

Workers of hundreds of enterprises throughout the country may in future encounter the situation in which Ural miners have now found themselves, Mikhail Popov, RABOCHAYA TRIBUNA correspondent in Chelyabinsk region, writes in the newspaper.

The correspondent believes that "a way out is in working out an effective and fair system for the sale of bankrupt enterprises as property to the work collectives or turn them into any other form of property that would help them to survive".

RABOCHAYA TRIBUNA continues to publish documents of the Soviet parliament's commission on privileges and benefits on how executives of ministries and departments are busy introducing a self-centered kind of privatisation.

"The defence of peace and disarmament" is the headline of an article in SOVETSKAYA ROSSIYA by Academician Boris Ponomarev.

Aid is a good thing. But what about benefit? These two approaches to cooperation with the Soviet Union are debated in France and the United States on the eve of the Group of Seven (G-7) summit in London, PRAVDA's Paris and New York correspondents write.

TRUD, in a dispatch from London, points out that, with all the diversity of opinions, an understanding has finally prevailed in the British capital that the Soviet president is not coming to London with hat in hand to ask for tens of billions of dollars in disinterested aid and that the talks will deal in point of fact with establishing a new type of international economic relations that are impossible without an organic integration of the Soviet Union into the world economic system.

Newspapers cover the situation in Yugoslava, where efforts are being made to find a compromise, and describe a radical renewal process in Bulgaria. KRASNAYA ZVEZDA comments on the role of the army in the Yugoslav crisis, and RABOCHAYA TRIBUNA writes about the Hungarian way to Europe.

Economic

Pavlov Briefs Media on Economy, Price Hikes

PM0907140791 Moscow IZVESTIYA in Russian 4 Jul 91 Union Edition p 2

[Valeriy Romanyuk report under "Direct Line" rubric: "V. Pavlov's Optimism: Realities and Illusions"]

[Text] Moscow—USSR Prime Minister V. Pavlov held the first press conference in the new USSR Cabinet of Ministers' office at 26 Pushkin Street 3 July 1991.

On the whole the tone of the answers he gave to questions put by Soviet and foreign journalists could be regarded as optimistic. The premier rejected all conjectures on the subject of the possible new economic program which is allegedly being prepared before the USSR president's trip to London. What is being discussed is the program of the visit and nothing more. Answering a series of questions on the subject of possible loans from Western countries, V. Pavlov noted that we are still basically relying on the country's own potential. We do not have the right to make ourselves dependent on someone else's intentions or whims.

But the concessions for enterprises that are being introduced from 1 July 1991 are a concrete measure. The concessions affect three areas: first, investments targeted at reconstructing and renewing existing funds; second, part of the profit to be used for buying back enterprises is to be exempted from taxation; and third, the increase in goods output will not be taxed.

V. Pavlov again noted that the reduction in the rate at which output fell during April-May is a positive sign. That is to say by last year the fall had stabilized at 6 percent. This is nothing to be proud of, but nonetheless... The premier cited this comparison: After falling into a well, a man has clung onto the wall and is now looking for a place to lean and a way of clambering up to the surface; the situation is tricky, but there is a chance that he will be rescued. In any case, according to the annual results the total decrease in the volume of output should not exceed 30 percent. Stocks of goods that fell by a value of just over 20 billion rubles in the first quarter have now increased by 10 percent.

"Because of the price rise," the audience suggested.

Regarding this point the premier touched on the merits of the price reforms being carried through by the Cabinet of Ministers. Whereas N. Ryzhkov's government tended toward raising prices by administrative methods and the "500 days" program tended toward free prices, V. Pavlov's cabinet has chosen a combined variant. The head of the government assured us that the program does not involve raising prices by administrative methods.

However, V. Pavlov subsequently amended his position. Answering a question from IZVESTIYA about his assessment of the alarming forecast made by the USSR State Committee on Prices that prices may go up 10-15 times in the near future, the head of the USSR Cabinet of Ministers coolly noted that the authors of the forecast are qualified specialists, but... they completely lack a sense of humor. No government can allow prices to shoot up 10-15 times just like that. And to prevent this from happening, all necessary measures will be taken—measures of both a market and a purely administrative nature.

Views Taxes, Privatization

914A0906A Moscow ARGUMENTY I FAKTY in Russian No 26, Jul 91 p 5

[USSR Prime Minister V. Pavlov answers questions at the First All-Union Conference on Enterprise Development in the USSR: "How Are We Going? Where Are We Going?"]

[Text] **At the First All-Union Conference on Enterprise Development in the USSR, organized by the Science and Industry Union, USSR Prime Minister V. Pavlov answered entrepreneurs' questions.**

[Question] Why do we have such absurd tax rates? Who thinks it up?

[Pavlov] Why does somebody think that tax rates are thought up at will? In the entire world tax rates are the result of a strictly scientific approach to the needs of the state, or, to be precise, to the obligations it undertakes. The fewer obligations, the lower the taxes. If we do away with free education and health care, tax rates will go down. Despite this, we attempt to compare our tax rates with those in the United States. During great crises, however, they also had rates of 50 to 60 percent; later, they were reduced.

I believe, for instance, that in our circumstances, for the purpose of combating inflation, we should have progressive rather than linear tax. I regret that I have given in and have not insisted on the "progressive."

[Question] How will the "privatization" go?

[Pavlov] I am against giving property away; I am for buying it out, with giving people who work there a preferential option for a buy-out. When converting to joint-stock ownership, I believe that at least 10 percent of the shares should belong to the population. Gradually this share should increase. Pensioners lay their claim; they want a share of this property. I think that some portion of the shares should belong to social security offices that pay the pensions, so that they would have a right to the share of income in order to increase the standard of living for this category of the population.

To speed up privatization, banking support and preferential credits are needed. This is very well developed in the world, especially in Sweden. If you are hired for a job, for instance, in a year or two you are given an opportunity to buy housing, and the enterprise pays half of what you still owe to the bank. In three years, it pays the other half.

This mechanism is applicable to our privatization. However, without banking support the population, despite the fact that 500 billion rubles are now in private hands, will not be able to participate in the privatization on a large scale.

[Question] What is the essence of your disagreements with the USSR president? Why did you want additional powers?

[Pavlov] Did I utter, even once, the words "additional or extraordinary powers?" I was talking about one thing: Taking into account the absence of the necessary normative base, to permit the government to make a decision in regard to formation of this normative base until the parliament and the president adopt their decisions. Of course, we would report on the decisions we make. The parliament and the president would retain the right to veto them. This would have allowed us a faster move to a market.

[Question] What do you think about Yavlinskiy's program?

[Pavlov] This program, in essence, is 100 percent in line with the recommendations of the IMF and the Bank for Reconstruction and Development. It stipulates that first we have to slide down to a certain point, and after that do everything the way prescribed to us by the West. After that, we will receive carefully measured aid, and you will report every time on what had been accomplished. This help will be a sort of a reward for good behavior. This is the logic of the program. Do you like it? You are welcome. I, however, have my own notions about it.

State Property Fund Chairman Interviewed

PM0907135391 Moscow IZVESTIYA in Russian 8 Jul 91 Union Edition p 2

[Interview with S. Assekritov, chairman of the board of the USSR State Property Fund, by V. Romanyuk; date and place of interview not stated: "How Much Is State Property Worth?"]

[Text] [Romanyuk] Stanislav Vasilyevich, the USSR Supreme Soviet has just adopted a law on the basic principles of the destatization and privatization of enterprises. What seems to you most important in this document?

[Assekritov] The fact that it provides a legal framework for the entire process of privatization and regulates it by legislation. I must say that the dimensions and forms of the looting and pilfering of property, which have been going on on the quiet, were beyond the dreams even of our conservatives. Now an end will be put to that. The State Property Fund has received a field of activity and the legal formula which has been adopted gives it sufficiently broad powers.

[Romanyuk] How do you formulate for yourself the fund's main task for the immediate future?

[Assekritov] Elaborating a comprehensive program for the destatization and privatization of all-union property.

[Romanyuk] Which comprises 90 percent of all property?

[Assekritov] Ninety percent is the figure for all state property. Union property comprises approximately half. In general it seems to me we must end the rivalry between the center and the republics in connection with the property tug of war. There are enterprises in whose creation all republics without exception took part and that means that the process of destatization should be conducted jointly. In principle I am opposed to the demand for the immediate division of property—the process itself is agonizing and hard to formulate legally. It is a subject for the new Union Treaty and USSR Constitution. Since we are speaking of the need to create competing systems, they must be removed from state rule—not only at union level but also at republican and local level.

[Romanyuk] And what will remain state property?

[Assekritov] Systems which cannot function as free and independent participants in market relations. It is a case of spheres where today large-scale centralization of management functions is still required. For instance, the railroads, gas pipelines, energy, and communications. The countries which engage painstakingly in privatization attach a special role to the creation of a competitive environment. Studying the practice of privatization in Britain, I could in no way understand why it was necessary to privatize municipal services and water supplies. What competition is there here? It turned out that competition is possible on the borders of cities and regions: He whose water is cleaner wins.

[Romanyuk] How will the division of property be implemented?

[Assekritov] I believe it will be correct if the process of forming joint-stock companies takes place first and then shares are allocated in specific agreed proportions. over the course of two years the proportion of state property can be reduced to 30 percent (instead of the present 90 percent).

[Romanyuk] Is that feasible in two years?

[Assekritov] I think it is, unless there is powerful opposition. And unless destatization is turned into a fiscal process. There is the temptation of channeling the funds obtained from privatization wholly into patching up the holes in the budget. The funds should go to extinguish our enormous foreign debt, that is in fact be taken out of circulation. In addition we intend to grant the labor collectives privileges in acquiring shares. Of course one can set the aim of stuffing the treasury and taking all the money for privatized enterprises. But one can also set about granting the opportunity to buy property by deferred payments, limiting the first payment to 10-20 percent of the declared value. It is my no means compulsory to buy establishments of the social sphere or nature conservation installations which do not create a product. On the other hand I cannot agree with the position of the CPSU Central Committee, which is categorically opposed to the paid (compensatory) basis for handing over property. If everything is given free, the sense of being the owner will not appear and there is no social justice in this approach either.

[Romanyuk] But if I have no money to acquire shares, can I become an owner?

[Assekritov] That is a question of the principles of destatization, which we still have to elaborate. Certain guidelines are provided by the draft combined-operation union law—on the basic principles of destatization and the privatization of enterprises. It is envisaged that a certain proportion of property can be handed over free of charge to members of the labor collective.

The USSR State Property Fund has been instructed to perform on the government's behalf the functions of the holder of the state block of shares. We by no means set ourselves the aim of retaining the controlling block in all cases. By no means. But there is a situation when it is necessary to retain the centralized system of management, for instance in the defense industry—here it will be necessary to hold onto perhaps 50 or 80 percent of shares.

[Romanyuk] When the Kama Truck Plant was turned into a joint-stock company, the state bought the controlling block.

[Assekritov] Yes, but all votes for these shares have been handed over to the labor collective. The question of handing over 15 percent of the shares to Russia is now being examined. Here is a graphic example of the joint possession of property.

[Romanyuk] Will the fund not become an office for auctioning off the people's assets?

[Assekritov] Not exactly an office. The transformation of an enterprise into a joint-stock company means at the first stage merely changing the title of the owner: The founding shares are only a reflection of the value of the enterprise, an embodiment of ownership. Shares "for sale," to attract new capital, will appear later. The fund is invested with powers, for instance in determining the form of destatization. Considering the wishes of the labor collective, an enterprise can be transformed into a joint-stock company or a limited partnership, can be switched to a lease with the right to buy, or, finally, sold into private hands.

[Romanyuk] Does that mean that you are nonetheless interested in retaining the controlling block?

[Assekritov] No. A controlling block is necessary where it is necessary to retain state management. At any rate, there is no need to hold a controlling block for a bath house and laundry combine.

[Romanyuk] So perhaps you intend to become Koshchey the Immortal [in Russian folklore, a dragon who can only be killed if the egg that contains his death is discovered] in preserving state property?

[Assekritov] State property must be preserved and the country's property interests must be protected, and we must do that. Statistics do not give the answer to the question of what we possess. The value of the country's fixed capital is assessed at 3 trillion rubles. But few people know the qualitative characteristics, structure, or percentage of wear and tear of this capital and there is no information at all about its value on the world market. There is a great deal of totally secret information—about the defense industry and the property of the country's armed forces, the Ministry of Internal Affairs, and the KGB: Land, forests, and water expanses have not been assessed. Yet they are the country's assets.

[Romanyuk] Will the restrictions on privatization remain?

[Assekritov] Only in the sectors connected with arms and the production of explosive fissionable substances, toxins, and a number of others. Specially created commission for destatization and privatization which will include representatives of the fund, the labor collectives and administrations of privatized enterprises, local branches of banks and financial organs, and local soviet executive committees will engage in the assessment and sale of the property of union enterprises. It is very important to prevent property being sold cheaply. The value of property, which is reckoned according to the balance sheet, does not reflect the level of inflation or the wear and tear and obsolescence of equipment. Thus there is no real market price for this capital. Yet we intend to open the gates to foreign investors. The Union Fund has to work out a procedure for protecting the economy from dishonest penetration by Soviet dealers and foreign capital. In addition we have property abroad—it also needs to be protected. But of course the main thing is work on the destatization of enterprises and their transformation into joint-stock companies and the recording of securities—the block of shares which will belong to the state and whose keepers we will be. And inasmuch as shares should not and cannot lie immobile on the desk of the fund chairman, it will be necessary to create a department which will keep track of operations on the stock exchange, of prices for real estate, and of deals involving selling property to foreigners.

[Romanyuk] Does that mean that the USSR State Property Fund will conduct large-scale commercial activity?

[Assekritov] Such activity is banned by law for state organs and their employees. But we envisage the possibility of creating state holding companies which will buy and sell shares. Perhaps we will create leasing and brokerage companies—throughout the world insurance companies service the privatization process. I stress that direct commercial activity should be entirely separate from the fund's state functions. That is additional insurance against corruption.

Yavlinskiy Economic Reform Program Viewed

PM1007104791 Moscow ROSSIYSKAYA GAZETA in Russian 3 Jul 91 pp 1,2

[Yelizaveta Leontyeva article, including extracts from a conversation with Grigoriy Yavlinskiy, under the heading: "An Opportunity for Everyone?"]

[Text] Grigoriy Yavlinskiy: "The 'Window of Opportunity' Program is not for the present center. It is for the republics, which will create the center they need. It is for a new Union."

Yavlinskiy's "500 Days" Program probably came into the world too soon. You can argue as much as you like about who outwitted who at that time: Whether Gorbachev outwitted Yavlinskiy, or whether Ryzhkov—supported by the military-industrial complex—outwitted Gorbachev, or whether parliament—an imprecise but fair reflection of the Union—showed character. It would be more true to say that the arrangement of forces and interests was not in the program's favor. Old but still holding together, the imperial Union could not grasp the fact that it was openly being dealt the final blow.

Now, a year later, the political situation has changed. The economy has been dealt such a crushing blow in the past year that this must undoubtedly be a serious historical lesson for us. It must be the last (we hope) lesson of reformist attempts within the traditional framework of the planning system and state control of the economy and within the confines of the old political structures.

The "Window of Opportunity" Program—now known as the "Yavlinskiy-Allison" Program—could not be called premature. Primarily because it offers the option of economic collaboration between the USSR and the West at the new stage and proposes to involve the world community in the process of change taking place in our country. To be strictly accurate, it is not even a program but a concept of joint action of value to both sides and offering them mutual benefit. But as it has been "christened" a program in the press, I will not deviate from the accepted term.

"Window of Opportunity" even contains a special chapter reflecting Western interests. First and foremost, the West is offered the opportunity to gain the USSR as an ally and safeguard its security. The program also envisages introducing our country's vast resources into the world economy, opening up a market for Eastern Europe, reducing the defense expenditure of countries that cooperate with us, and so forth.

In its turn, the USSR will be given favorable political and economic conditions for completing its reforms: Food, medicines, hard currency, and assistance with equipment and technology. None of this has anything to do with asking favors or, as Grigoriy Yavlinskiy says, doing the rounds with cap in hand but—and he constantly stresses this point—is based on mutual interests.

As is well known, the working group responsible for drawing up the program was a joint affair: This also reflects the balance of interests. Among the 13 members of the group we see names such as S. Fisher, first deputy president of the International Bank for Reconstruction and Development; R. Blackwell, who was assistant to the president; and G. Allison, who was head of the well-known political school in Harvard for about 20 years. These people would not jeopardize their prestige for anything: That is Yavlinskiy's opinion of the "Western part" of the working group.

So, external circumstances have developed in a way very favorable to the appearance of a new joint program. But the situation inside the country is ripe for this kind of work as well. The "Nine plus One" agreement—which everyone can understand—has been reached. The barometer of public opinion is clearly inclined in favor of radical change. Giving lukewarm approval to the "500 Days" Program a year ago, the USSR president has now changed his policy. He is clearly gravitating toward a respectful dialogue with the republics and an alliance with the "Big Seven." Free democratic elections have been held in Russia, and there is no doubt that Boris Yeltsin's victory has acted as a catalyst for democratic processes in the country.

Yavlinskiy would not be Yavlinskiy if, with his characteristic drive, he did not seize such a favorable opportunity to make his "comeback" and use it as a chance to accelerate reform and speed up the formation of a new Union.

From a conversation with Grigoriy Yavlinskiy:

"You are sometimes called an intermediary, a connecting link between the leaders...."

"Okay, so I'm an intermediary. And a member of a demolition squad. And a sapper. And a sewage-disposal man. But if every intermediary is going to come up with his own program, that is not a bad thing. Do you not agree?"

While the author of "Window of Opportunity" was nurturing his idea, conceiving and producing his new work, acquainting politicians and economists with it, and propagandizing it, a number of republics from "the nine" were busy adopting their own programs. Will "Opportunity" dovetail with them? If it is adopted, perhaps the documents passed by republic parliaments will have to be amended or scrapped completely? This is a very serious question, you must agree.

Yavlinskiy's answer to that question was this: "No program will resolve the issues fundamental to the economy—the budget, finances, banks, and, consequently, a convertible ruble and its exchange rate—as long as Valentin Pavlov holds the purse strings."

Yavlinskiy's main postulate is that, if we decide there is going to be a Union, that decision will have certain consequences (regarding the budget, money, and so forth) with which we will have to reckon. If the republics go their own separate ways, we will need quite different ideas. But to hold the view that we are going to go it alone despite the Union's existence is absurd.

This is no empty declaration by the author of "Window of Opportunity." He and his colleagues have laid down seven indispensable conditions for the program's implementation. The main point is full, definitive recognition of the republics' sovereignty, including their right to self-determination. Whereas previously only declared, sovereignty is given real substance in the program and becomes a means of ensuring the republics' basic interests: the achievement of political stability and the conditions for their citizens' free development, safety, and improved standard of living. Joining the Union is completely voluntary. Those who do not wish to take part in the Union on a political basis may join it on an economic basis.

The three aforementioned conditions signify a decisive change in the principles of forming a human community within the country's framework and entails—the fourth condition—free democratic elections of the political leadership at all levels. Membership of the Union—the fifth condition—supposes clear demarcation of powers between the sovereign republics and the center they create. I would like you to stress this wording, Yavlinskiy said: "The center they create." Once the republics agree to be in the Union, they will have to have a center, which they themselves will create, respect, and trust.

The last two conditions—barring a monopoly on power in the country by any political party and providing human rights guarantees—logically follow on from the first five, if they are strictly observed.

From a conversation with Grigoriy Yavlinskiy:

"Why have you called your program 'Window of Opportunity'?"

"Too many factors have to come together here—accord between the republics and within them, accord between the state's leaders, accord with the people so that they are patient a little longer, and accord with the West—so no one can give a 100-percent guarantee of success. It really is only an opportunity...."

Careful reading of the program will give us a detailed explanation of the specific form taken by the interests of republics which decide to join the Union.

It stresses in particular that they will delegate some of their functions to specially created Union bodies of authority and administration. However, the republics' powers envisaged in their declarations of sovereignty will not be diminished—merely redistributed. They will exercise some directly and others through Union bodies of administration.

There will also be demarcation of powers in economic policy: finances, prices, ownership, demonopolization, the social sphere, structural policy, and foreign economic

activity. The republics will voluntarily transfer defense, security, and the administration of common transport systems, power networks, and nuclear power to the jurisdiction of Union bodies of authority....

A note on the title page of the program reads as follows:

"Chapter One and Chapter Three were prepared by Soviet economists in Moscow. Western experts made observations on these chapters and some of these observations have been taken into consideration. Chapter Two is based on material earlier prepared by Western specialists. The remainder was prepared in the course of joint work."

A single economic space, from joining which the republics will directly benefit, will take shape in the territory of the new Union, headed by a new center. The principle whereby the republics have the intentions and Pavlov has the money will no longer apply. A unified monetary and credit policy will be implemented in this single economic space via a system of republic central banks independent of republic and Union governments alike. Budget policy will be clearly coordinated between the individual republics and between the republics and the Union. This will only be possible with a common currency throughout the Union, which will also be the only legal tender.

Reducing state interference in the economy is seen as an indispensable condition. The economy can only be efficient if the rights of the Union government and the republic governments are sharply curtailed in this sphere. For example, governments must not impede the free movement of goods within the country throughout the market space. It goes without saying that the system of mandatory state orders will be abolished. The only exceptions will be those which maintain defense capability and a small number of other sectors of the economy.

What about the equally familiar state purchases? They will be transferred to a system of commercial contracts concluded on the basis of market prices. Contracts to supply goods for state needs will go through the appropriate state system, which will have territorial bodies in the republics. And freeing prices? This will take place in all the republics simultaneously and be based on general principles—unlike now. Big price increases at the point of liberalization will be eased by releasing goods from state reserves.

Initial assessments (from the press):

James Baker, speaking about "Window of Opportunity" on 22 May: "It is worth paying attention to, of course."

George Bush, 1 June: "I get the impression they are undertaking something useful for themselves and something the world could perfectly well call economic reform."

THE NEW YORK TIMES, 1 June: "U.S. officials have said that there were two totally different proposals from the Soviet side. One from Mr. Primakov and Mr. Shcherbakov, which obviously reflects President Gorbachev's stand.... And the other, Mr. Yavlinskiy's far-reaching proposal, which, according to U.S. officials, represents what Gorbachev... sees ahead, if he finds understanding in the West."

Coexisting within a single economic space and observing the new "rules of the game," the republics will be able to get support from abroad: This question is by no means the least important in "Window of Opportunity."

The program states that direct aid and credit from the West will basically be intended to resolve the most acute problems facing the republics. The main problems are to supply them with food and consumer goods, finance investment projects, and promote private enterprise. As far as support for the Union as a whole is concerned, this will be provided through legitimate bodies of authority and administration. It will take a very specific form: the formation of a hard currency stabilization fund and major investment in the single market's infrastructure.

Initial assessments:

INTERFAX, 18 June: "... The U.S. scientist (Mr. Allison—Ye.L.) said that, in his view, Boris Yeltsin has supported the program more strongly than Mikhail Gorbachev...."

From a conversation with Ivan Silayev: "I support 'Window of Opportunity.' Perhaps it is an opportunity for everyone?"

ROSSIYSKAYA GAZETA, 25 June: "Under Mikhail Gorbachev's leadership and with Valentin Pavlov's participation, a group of experts is drawing up a package of proposals which the USSR president will take with him to his meeting in London with the leaders of the seven industrial countries. According to Gorbachev, this package takes account of propositions in the government's anti-crisis program and Yavlinskiy's program, as well as Western experts' assessments."

How should the joint program be recognized and adopted? Yavlinskiy's line of reasoning is as follows: The USSR president will prepare the appropriate package of documents, invite the leaders of all the republics, and, if they agree, submit a report in London on their behalf. Let us assume the people concerned in London acquaint themselves with the documents and agree to discuss them. If, after the discussion—and it may not take place right away—the leaders of the "big seven" acknowledge the USSR's intentions as genuinely market-oriented and receive confirmation that it will not deviate from this course, they will instruct their governments and international financial organizations to draw up specific proposals.

People on our side and theirs will have to work about six months to flesh out every single line in the program. A large role will be played by the Union government, as it is in sole possession of the necessary facts and figures. If

no one sent the information to us in Arkhangelsk last year, Yavlinskiy joked, they certainly would not send it to Harvard. It is a state secret....

He believes the republics should form an interrepublic economic committee—the idea of which has been put forward several times already—to be in charge of the program. It will also be the new government.

From a conversation with Grigoriy Yavlinskiy:

"But what if Mikhail Gorbachev goes to London with a hybrid of the Pavlov program and the Yavlinskiy program?"

"There are people in London who will see this step for what it is worth."

Yes, the experts in Volynskiy are busy preparing "Gorbachev's London package," but Yavlinskiy is not among them. The leaders of the republics are also still in the dark about what is being "cooked up." Not without reason, Boris Yeltsin recently spoke out quite strongly on this subject: It is time to suggest to the president that he tell the republics' leaders what he intends to take with him to London. It is time to discuss this question together....

The last question to Yavlinskiy:

"If your program is destined to be implemented, where do you see yourself?"

"You mean, do I want to be prime minister? If I found myself 'threatened' with this prospect, first of all I would go to Gorbachev and say: First, I insist that I be elected by all the republics; second, you must tell me what our gold reserves are; third, I must know what property we have abroad; and, fourth, I would present a long list of no less important questions. If I got my answers I would say: Now I will think about this proposal. If not—well, it is not my sort of game. Anyway, what good is a premier who knows half of what is going on but is not allowed to know the other half?"

So, will "Window of Opportunity" be an opportunity for everyone? Or will the efforts of this world-renowned economist and his team be eroded and dissolved in compromises with other programs and other less productive, vigorous ideas, in which the West will easily perceive yesterday's fruitless semi-reformist efforts?

The situation is now ripe—indeed, overripe. Even if we do not take up Yavlinskiy's program but someone else's, provided it is no worse or better, it would be criminal to miss this opportunity. But we might miss it, you know....

Problems Caused by Freight Car Turnaround Viewed

PM0907155991 Moscow Central Television First Program Network in Russian 1800 GMT 1 Jul 91

[From the "Vremya" newscast: Report by I. Minayev, Yu. Gvozd, identified by caption, from Skhodnya station on Oktyabrskaya Railroad]

[Text] According to information from the Ministry of Railways, 3,755 freight cars carrying food are marooned on the country's railroads. If they were formed into a train, it would be 45 km long. Fines for retaining freight cars have just been increased, but will this ensure the smooth functioning of railroad transport?

[Minayev] This is Skhodnya station on the Moscow branch of the Oktyabrskaya Railroad. Some 90 open freight cars with timber ordered by the "Rossiya" furniture production association have accumulated here. The freight car standard turnaround time has been exceeded tenfold. Unfortunately, this is a highly typical situation, as are also the explanations of the furniture producers—there is a shortage of labor, warehouse facilities, space...

The railroad workers have suggested that some of the timber should be dispatched to allied enterprises, sold, or handed over on credit. The answer was: No way. Under no circumstances will we part with our allocation of timber from central stocks. We will pay fines in preference. An so the open freight cars, of which there is such a shortage and for which collectives at other enterprises, other sectors of industry are waiting, are held up here.

[V.M. Logunov, chief of the USSR Ministry of Railroads Main Administration for Container Transport and Commercial Operations, identified by caption] During the first five months of the current year alone delays in handling freight cars on plant sidings removed from circulation 224,000 freight cars which could have been used to transport some 12 million tonnes of national economic goods. The struggle for the utilization of freight cars is assuming paramount importance.

[Minayev] What if major enterprises, which are currently paying thousands and tens of thousands of rubles in fines, pay five times more in the future with the same ease? In my opinion, they are able to include these fines in the prime cost of their output, which is then passed on in the prices, and thus offloaded onto us, the consumers. Do you not think that the time has come to radically change the very mechanism of mutual relations between the railroads and their clients?

[Logunov] Relations in conditions of the market must be built on a contract basis, as it were. As an experiment we are already implementing this system at a number of enterprises on the Donetsk Railroad, specifically enterprises of the Ministry of Ferrous Metallurgy. This system is based on payments per freight car hour. Probably in

the near future we will discuss these proposals with ministries and departments and submit them to the government.

Soviet Planes to Have Rolls Royce Engines

91UF0944A Moscow TRUD in Russian 4 Jul 91 p 5

[Article by A. Burmistenko: "We Will Be Flying With Rolls Royces"]

[Text] London—The Soviet Tu-204 aircraft with R-211 engines from the famous British firm Rolls Royce will take to the air within a year at the international air show in Farnborough, the Rolls Royce board of directors announced. In the next few months the engines will be delivered to the aircraft plant and installed in the 200-seat Tu-204. Thus Rolls Royce will become the first large Western firm to deliver equipment for Soviet aircraft.

Similar plans, but with the Il-86 aircraft, were announced by the French-American consortium SMF. As a result, the Ilyushin will be quite comparable with the Aerobus-340 in which the same SMF-5S engines are installed. And the Soviet firm Sukhoy and the American firm Gulfstream have declared their intention to jointly create a prototype of a supersonic jet airliner for businessmen. It is expected that the new aircraft will be ready for testing in three years and will go into operation at the end of the decade.

"Equipping Soviet aircraft with economical engines and other equipment produced in the West, which meets modern standards, will make it possible for the USSR to place quite competitive airliners on the market at lower prices than those of comparable Western aircraft," notes the newspaper THE GUARDIAN, in this connection.

Flight Control Center's Restructuring Viewed

PM1007101391 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 4 Jul 91

[From the "Vremya" newscast: Report by A. Gerasimov and N. Glebov, identified by caption]

[Text] [Gerasimov] The whole world knows the Moscow flight control center. But only a few people know that nowadays only an insignificant part of the huge potential that was initially invested in the flight control center when it was created is being used. Suffice it to say that, if there were five or six manned craft in space at the same time, the flight control center could cope with ease. But this is not what is happening.

Nowadays there is not enough money, and not only for spacecraft—at times there is not enough money to pay employees' salaries. This situation exists at virtually all enterprises of the military-industrial complex. But, as the saying goes:

[Gerasimov, speaking to camera] Every cloud has a silver lining. The cutbacks which have reduced the budget of the Soviet military-industrial complex beyond recognition have evoked a reaction at enterprises of the defense industry. They have formed a joint-stock company with the unusual name "Military-Industrial Exchange".

The founder members are the Russian Commodity Exchange and a leading space company, the Institute of Machine Building. The hall of the flight control center and its computer center and numerous communications facilities which are standing idle will be used for conducting trade deals.

This is the most successful kind of conversion, one of the founders of the exchange, Doctor of Technical Sciences Viktor Surikov, has stated. In fact, only enterprises which have so-called "special departments" [pervyy otdel] can be shareholders.

After all, the articles on offer will include goods and technologies still classified as secret. But in principle anybody, including even foreigners, can place orders at the exchange.

Agricultural

Bad Weather Hits Stavropol Kray Farming

PM1007142191 Moscow SOVETSKAYA ROSSIYA in Russian 5 Jul 91 First Edition p 6

[TASS report under the rubric "The Elements": "Harvesting Subject to Intense Heat and Hail"]

[Text] Stavropol—The grain fields of Stavropol Kray have fallen foul of the vagaries of the weather. In the eastern rayons of the Kray bordering the semi-desert of the Caspian region the mercury in the thermometer has again risen to the 40-plus mark. This intense heat is now into its third week. In the west of Stavropol Kray the heat has abated a little, but on the other hand torrential rain and hail have turned into a real disaster.

In Budennovskiy, Blagodarnenskiy, Ipatovskiy, Apanasenkovskiy, Levokumskiy, Arzgirskiy, and a number of other rayons the intense heat coincided with the completion of the forming of the grain crops. The furnace-like temperatures are accompanied by hot dry winds where, with a wind force of 16-20 meters per second, air humidity is falling below 30 percent. Precipitation ranging from 4 to 20 percent of the norm has occurred there. That is why now, at the height of the harvest, grain coming to the threshing floors from certain kolkhozes and sovkhozes is below size and not of such good quality as expected.

In Mineralovodskiy, Predgornyy, Kochubeyevskiy, and a whole series of other rayons the torrential rain and hail have turned into a real natural disaster. Some 11,000 hectares of grain have been completely destroyed there and 55,000 hectares damaged. Areas sown to corn,

sunflowers, and beets have also suffered along with cereals. The destroyed fields are being resown with feed crops without delay.

Many homes, farms, processing-industry enterprises, and grain stores have suffered from the hail and torrential rain. To restore all this the kray needs more than 500,000 slates, 20,000 square meters of glass, 150 tonnes of water piping, 2 kilometers of cable, 12 transformer substations, and much else.

Tribulations of Harvest Campaign Viewed

PM0907145391 Moscow PRAVDA in Russian 3 Jul 91 First Edition p 1

[A. Klimenko report under the "Topical Theme" rubric: "We Should Take All Losses and Abolish Them. The Battle for the Harvest Has Only Just Begun, But Already There Are More Than Enough 'Victims'"]

[Text] Losses in grain are maybe the ones that hit the country hardest. Especially now when foodstuffs are so scarce. There is a saying: "It is no use crying over spilt milk." Some people seem to think that the supply of "milk" from our vast grain acreage is inexhaustible. There is a multitude of "variations" on the theme of grain wastage. According to the most modest calculations, weekly in transit grain losses during last year's harvest reached 1 million tonnes.

To allow such losses today would mean turning this year's yield, which forecasters promised would be average, into a poor harvest. Fortunately, winter crops in the North Caucasus and Russia's Chernozem Zone, and on the majority of farms in the Ukraine, Moldova, and Central Asia ripened properly this year. The Kuban farmers are pleased by the initial threshing figures from harvesting operations which are under way. On average they are getting around 38 quintals of barley per hectare. This is approximately the same level as in Stavropol Kray.

Is there cause for euphoria? An old witticism involuntarily comes to mind: He who laughs last has a tally worth counting up in the fall. After all, in many regions of the country, even "bread baskets" like Kazakhstan and Orenburg, the sowings have either been markedly "scorched" by severe drought or completely destroyed. As we can see, the tally here promises to be minimal. So, without zealousness and discipline during the harvest the whole country could find that the grain has "gone in a flash."

The battle for the harvest has only just begun, but already there are more than enough victims on the grain front. Rains flooded grain fields in Rostov Oblast, and harvesting teams' lack of equipment continues to be a hindrance. But where can equipment be found when the country as a whole has produced fewer combine harvesters this year than last? Approximately 10,000 "Don" combines rolled out of plant gates only to be left "idle." There are no cutter tables. There are not enough batteries.

And what about this: At the height of harvest operations, when you do not approach tractor operators or drivers to utter even two words, all of a sudden you come upon machine operators taking time out to cool off. The reason is as commonplace as bad weather during harvest time: The equipment broke down, there are none of the required spare parts, and nobody knows when any will arrive.

The harvest labor "arsenal," which is truly mighty judging from past information on equipment supplies to farms, is truly depressing this year. For example, in Odessa Oblast a mere 18 percent of the required quantity of combines and harvesters are "operational." It cannot be forgotten that special demands are being made of machines during the current "motley" harvest. Existing combines have simply proved too feeble to gather 40-50-quintal harvests. These days in many Ukrainian fields reapers are operating on half or even a third of the normal width of cut, and in places windrows have had to be threshed again because, despite all the endeavors, grain still remained in them.

I telephoned Orenburg.

"In many regions the grain burned up," I. Yeliseyev, spokesman at the CPSU Oblast Committee Agrarian Sector, reported bitterly. "But there were still outbreaks of rain in odd places during the harvest. There will a certain amount of inferior grain. The harvest will be complicated because the plants are stunted."

Machinery needs to be adjusted to cut lower and "adapted" for exceptional working conditions, but the necessary tractor-drawn implements and equipment are lacking. Suppliers seem to wait for the peak harvesting period, when everything can be attributed to "the heat of the moment" and the chaos. In a "barter fever" many enterprises and departments are increasingly looking for a profit. Mutual assistance under the banner of saving the countryside is categorized as a "vestige of the past"...

It is appropriate to repeat for the thousandth time: The number of decisions on this very subject of saving the countryside is not being translated into quality in providing material and technical services to the countryside. Alarms are already sounding about the fact that this year too the grain routes are strewn with "spillage." Combines with full grain tanks are standing idle because there is a shortage of trucks. The recent USSR Cabinet of Ministers Resolution "On the Dispatching of Trucks for Gathering the 1991 Harvest" states: "The USSR Defense Ministry is obliged to send...40,000 trucks, including 30,000 to the RSFSR [Russian Soviet Federated Socialist Republic] and 10,000 to the Kazakh Soviet Socialist Republic..." Incredible! The only thing is that an obligation existed in previous years. And the result?

For the 1990 harvest, for example, hundreds of "military" trucks were sent to farms in the South Urals without drivers. Will this be allowed to happen again?

And the news from the Ukraine is simply stunning: Agents of other "alternative" politicians are trying by every possible means to prevent city dwellers from participating in the battle for the harvest. Yu. Surbenko, a field crop cultivation veteran from Moldova, reasonably notes: "Along with this, the saboteurs of this year's grain harvest have another aim. By destroying the harvest they are seeking to 'punish the center.' But are they punishing it? Or are they trying to give the people a lesson in starvation for their loyalty to perestroyka?"

Reports on the economic losses in the grain "battles" currently underway are increasingly alarming. But we can't forget the political losses either. They will become a reality if the healthy forces in society and the people lose this battle. This most important of all battles.

Scientific

Satellite Launched Successfully 10 July

LD1007082991 Moscow TASS International Service in Russian 0800 GMT 10 Jul 91

[Text] Moscow, 10 July (TASS)—Another artificial Earth satellite, "Cosmos-2152" was launched in the Soviet Union on Tuesday by a "Soyuz" rocket launcher.

The satellite carries scientific apparatus for continuing space research.

The satellite has been placed in a orbit with the following parameters: Initial period of revolution - 88.7 mins; apogee - 266km.; perigee - 188km.; orbital inclination - 82.3 deg.

Besides scientific apparatus, the satellite carries a radio system for the precise measurement of orbital elements and radiotelemetry system for transmitting to Earth data about the work of the instruments and scientific apparatus.

Cosmonauts Conduct Astrophysical Experiments

LD0907151991 Moscow TASS in English 1427 GMT 9 Jul 91

[Text] Moscow July 9 TASS—Cosmonauts Anatoliy Artsebarskiy and Sergey Krikalev continue their mission aboard the "Mir" complex.

Under the flight programme, the crew carried out a series of astro-physical experiments using devices "Buket", "Granat", and "Maria". The cosmonauts took measurements of the space and energy characteristics of cosmic radiation in various bands of wavelengths and examined interaction of the floods of elementary charged particles of high energy with the earth's radiation band.

To continue research of the earth atmosphere the "radio scanning" experiment was conducted.

The tanks of the station's united propulsion system were refuelled with the oxidizing agent brought by the progress M-8 cargo spacecraft.

Artsebarskiy and Krikalev will spend the next few days preparing for next week's spacewalk.

Radio sessions with the crew and telemetric data indicate that the flight proceeds normally.

Cosmonauts 'Well' After Experiments

LD0507131591 Moscow TASS in English 1243 GMT 5 Jul 91

[Text] Moscow July 5 TASS—Cosmonauts Anatoliy Artsebarskiy and Sergey Krikalev are ending the seventh week of their space flight on board the Mir space station.

On Wednesday and Thursday, they were involved in astrophysical and geophysical research and conducted technical experiments.

With the help of the Maria magnet spectroscope, they have completed another series of experiments aimed at finding possible ties between the intensity of elementary charged particle flows near the Earth and seismic activities on the planet.

The cosmonauts also conducted experiments on a vibroseismographer to obtain data about the influence of microacceleration on technological processes on board the station.

Today, the crew is preparing equipment for future work.

According to a medical examination on Thursday, Artsebarskiy and Krikalev are feeling well.

Military

Shlyaga Visits North Caucasus District Troops

PM1007132091 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 91 First Edition p 1

[Lieutenant Colonel A. Borovkov report: "Taking the Facts of Life Into Account"]

[Text] Colonel General N. Shlyaga, chief of the USSR Armed Forces Main Military-Political Directorate and USSR first deputy defense minister, spent a few days among the troops of the North Caucasus Military District. He started his work among the district's troops at the Krasnodar Garrison. It was here that the act on the abolition of the Southern Group of Forces was signed recently. And the last troop train from Hungary came here, to the North Caucasus Military District.

Col. Gen. N. Shlyaga devoted his meetings with command personnel and military-political workers to a study of all the diversity of topical problems, especially social

problems. He inquired about the troops' daily life and amenities in their new billets and about questions of getting combat training under way as soon as possible.

There were detailed discussions with officials of the district's staff and military-political directorate, with generals and officers of directorates, sections, and services, and with commanding officers and military-political workers of the Rostov Garrison. The discussion touched on current tasks, key avenues in military reform, and ways of improving the education of personnel and strengthening discipline and organization.

Navy Group Preparing for START Inspections

PM1007150791 Moscow KRASNAYA ZVEZDA in Russian 4 Jul 91 First Edition p 2

[Interview with Captain First Rank V. Makarov, officer from the Northern Fleet Staff, by Senior Lieutenant A. Bystrov, datelined Northern Fleet; date not given; first paragraph is an introduction: "It Is Expensive To Arm, But It Is No Cheaper To Disarm"]

[Text] It is known that intensive talks are going on between the USSR and the United States about concluding a treaty on the reduction and limitation of strategic offensive arms. But not many people know that work has already started on preparations for implementing this treaty's terms. Thus, for example, a group is being formed in the Northern Fleet to ensure the implementation of this treaty. Our stringer talked to Captain First Rank V. Makarov, an officer from the Northern Fleet Staff.

[Bystrov] Vadim Pavlovich, what is the purpose of creating the group and what are its tasks?

[Makarov] In general the aim is evident from its name. As for its functions, broadly speaking they are as follows: Registering data about the quantity and condition of strategic offensive and conventional arms—in simple terms, ballistic missiles, launchers for these missiles, and other naval arms, and also prepararing for and assisting in inspections by the U.S. side. If the treaty is signed and ratified, it is expected that its implementation will begin with mutual inspections. Under the proposed terms of the treaty, several types of inspections are envisaged. The frequency of inspections can be very varied. Under the existing draft treaty, the U.S. side is obliged to give notice of an intended inspection at least 24 hours prior to the arrival of the group of inspectors. Following the inspectors' arrival, they must inform us of the installation they intend to inspect and then the Soviet side must take them to the indicated installation. The members of our group will have to meet the U.S. inspectors here, in the fleet, and will have to create all the necessary conditions for the inspection to be performed in strict accordance with stipulated procedures.

That is why we are already elaborating a standard package of documents for all our bases for submarines with ballistic missiles on board, which includes a provision on the procedure for inspections, schedules for the group's travel routes, and a time study of operations, and identifies the responsible officials.

[Bystrov] It is perfectly obvious that no one has yet been involved in such work in the fleet. And its success will probably depend to a great extent on who will be in the group...

[Makarov] The list of posts was only confirmed quite recently. But we have already started recruiting people. And we are mainly taking into account the nature of the tasks they will have to resolve. The group must include first and foremost competent specialist missilemen. But we must not forget about the provision of transport, food, and kit, or about the observance of secret and secure communications procedures.

Several officers are now working in the group. They have all displayed responsibility in assimilating their new task.

[Bystrov] In any new task you cannot avoid difficulties and unforeseen obstacles...

[Makarov] Unfortunately, there are more of these than we would like, or that there might have been, in our view. Many people somehow do not think about the fact that the disarmament process also requires money or that we cannot count on an instantaneous economic or any other kind of effect here. And I think that it would be reasonable if our government thought about the centralized financing of the treaty's implementation when preparing the draft of this treaty. But in fact it has so happened that the brunt of material expenditure has fallen on the Navy.

Earlier, we, as indeed the Americans, were not preparing for the disarmament process. And this means, notably, that our whole infrastructure was not geared to this work. And now we have to rack our brains over how to resolve the transport problem, and how to ensure the necessary procedure on the transportation routes that the group of inspectors is going to take. Furthermore, we must concern ourselves with the creation of the appropriate conditions for the inspectors to carry out their duties. For example, we must construct a special building at each base for strategic nuclear submarines, where U.S. inspectors and Soviet representatives can hold a conference, formulate documents, and finally, relax. We already have to think about how to act in various situations connected with carrying out the stipulated procedures during the inspection of installations. Nor are we ignoring the effect of the weather conditions that are characteristic of the North on the inspection process.

We acquired a certain amount of practical experience in organizing our group's work in 1990-1991, when the Northern Fleet twice received U.S. representatives headed by Rear Admiral Fox.

There is also another problem, one that is no less significant than the financial one. It is rooted in people's mentality, in the inertia of their thinking. Certain officials cannot comprehend the full importance of the new task, and their attitude to our work is as if it were something temporary. And whereas, for example, we have managed to solve the problem of providing helicopters for the inspections with help from the fleet air force commander, as yet not everything is going well as regards the construction of the necessary buildings.

The earlier we all realize this, the better: Disarmament is not a short-term campaign, but a long-term prospect, one that requires great financial and material expenditure.

Military Critic's Article Analyzed, Criticized

PM1007085191 Moscow KRASNAYA ZVEZDA in Russian 6 Jul 91 First Edition p 2

["Pointed Remarks" by Lieutenant Colonel V. Panarin: "Independent Guarantees of an 'Independent' Author"]

[Text] NEZAVISIMAYA GAZETA (22 June 1991) published an article by its military observer P. Felgengauer entitled "What Guarantees Are There Against a Repetition of 22 June?" Not an article you could fail to notice, I think. Especially with such a highly promising headline. I admit that I, too, wanted an answer to the question posed by the author.

Having read the article, however, I gained nothing from it but disappointment. Felgengauer's analysis of the problem was superficial. The facts were taken out of chronological context and were not examined comprehensively. The historical analogies lack conviction, too. As a result the link between cause and effect is poorly considered or not considered at all. But these are, so to speak, general comments.

As for specifics, it is here most of all that the author takes the line of least resistance and, I would say, shows journalistic unscrupulousness.

Take, for example, the section entitled "Defense Sufficiency, Soviet-Style." Here the author subjects everything to relentless criticism—our current views of defense and the process of building and developing the Armed Forces, military-technical policy and the striving to maintain strategic parity. He claims in all seriousness that the Soviet military leadership has decided to withdraw into deep defense [glukhaya oborona] in the full sense of the term. The impression is created that the author is involved in creating our military thinking. Whereas those who really are involved know very well that only a mobile, maneuverable, and highly active defense can ensure success in modern war.

Can one really view as serious and impartial the assertion that the General Staff and the Defense Ministry are doing everything possible today to keep the Armed Forces in their old form? Because that is far from the case. Clearly the author knows that the draft reform of the Armed Forces, unlike the alternative draft prepared by a group of people's deputies, has received support in the USSR Supreme Soviet and from the President. Incidentally, it was published in the periodical press and widely discussed. It envisages fundamental, qualitative transformations of the Armed Forces, of which the author cannot be ignorant. The reform also takes into account the experience of the war in the Persian Gulf, an analysis of which formed the theme of a scientific-practical conference at the Defense Ministry. Therefore to claim that no one wants to change anything in principle is wrong and even vulgar. And then if you look at the history of our Armed Forces you will see that it is precisely the General Staff which has always spearheaded and continues to spearhead all transformations in the army and the navy. Just recall the Great Patriotic War, the postwar period and the perestroyka years.

However, let us follow the author's arguments further.

Speaking in critical vein about the structure of our Armed Forces, the author confines himself yet again to a thesis. One wonders, has it really never occurred to him that our geostrategic position, for example, is unlike that of the United States which is almost entirely surrounded by ocean and has land borders only with Canada and Mexico. Yes, of course he knows about that.

Meanwhile let us note for the sake of the truth that the present reform of the Armed Forces envisages a change in the branches and categories of troops. Indeed it does. How it will turn out in practice depends on many factors—primarily on the military-political situation in the world, the results of the talks process, and the situation in the country.

Now for the professional army, which the present article extols. In this connection I should like to note that with the exception of Britain, all European states recruit their armies according to the mixed principle of volunteers and conscripts. In some places the proportion of professionals is greater, in others it is less, but the military draft is carried out everywhere. Careful calculations show that this principle is most acceptable to us, too, because it makes it possible to prepare a militarily trained reserve quite effectively and comparatively cheaply. And professionals alone without a reserve are not enough if a military danger occurs. After all, to set up a combat-ready grouping in the Persian Gulf, the Pentagon had to draft in some 230,000 reservists of whom only 105,000 were sent to the Gulf zone. For our country the necessity of compulsory military service is dictated by the needs of defense, economic expediency, humanitarian considerations, and established traditions, which have already demonstrated their tenacity a number of times.

I would also like to recall that the proportion of professionals in our Armed Forces is currently approximately 43 percent. And, of course, it will increase. Beginning this fall, for example, there will be an experiment in which recruitment to the ranks of ordinary seaman and petty officer will be by contract, that is, voluntarily.

What guarantees does the author offer against a repetition of 22 June? As for the historical analogies with which the article begins and ends, there is essentially nothing on offer for the present situation. Is it only that Soviet generals have learned nothing? Let us leave that to the author's conscience, like the fact, furthermore, that the Soviet Army is likened to a universal bogeyman. And even though P. Felgengauer claims to be against extreme pacifism, nevertheless the logic of his reasoning tallies with that idea. As a result the article in question is nothing but a succession of suppositions which, in the author's view, either are fact or will be so. The highly promising headline failed to deliver the arguments.

So what is there here? The unobjective and tendentious approach of an "independent" observer in an "independent" newspaper...

Afghan Veterans' Conference Planning Starts

PM1007132591 Moscow KRASNAYA ZVEZDA in Russian 4 Jul 91 First Edition p 1

[Major S. Prokopenko report: "Moving Toward an All-Union Unifying Conference"]

[Text] The need to unify the internationalist servicemen's movement was recognized a long time ago. This idea was backed by a resolution adopted at the first All-Army Internationalist Servicemen's Conference held recently. The organizational committee for preparing and convening the All-Union Unifying Conference of Internationalist Servicemen met for its first working session 2 July in the Soviet Army's M.V. Frunze Central House.

Addressing the audience, Lieutenant General I. Mikulin, deputy chief of the USSR Armed Forces Main Military-Political Directorate, informed them of some of the results of the first All-Army Conference and dwelt on the problems facing the organizational committee.

The idea of creating an All-Union Coordination Council of Internationalist Servicemen's Organizations and defining the internationalist servicemen's status was expressed. The organizational committee's working groups were instructed to elaborate drafts of the relevant documents and send them out for discussion.

The following also took part in the session's work: Army General V. Varennikov, commander in chief of the Ground Forces and USSR deputy defense minister; P. Shetko, chairman of the USSR Supreme Soviet Committee for Internationalist Servicemen's Affairs; USSR People's Deputy Colonel R. Aushev; and others.

Committee Protests UN 'Reluctance' on Baltics

LD0907221291 Vilnius Radio Vilnius in English 2130 GMT 8 Jul 91

[Text] The committee of Cooperation with the Baltic States and Sweden expressed its protest against United Nations reluctance to discuss the Baltic issue on the grounds that it considers the issue to be the inner problem of the Soviet Union.

According to the Lithuanian telegram agency ELTA, in its letter to the United Nations Organization's General Secretary Perez de Cuellar, the commitee demands him to change his act [as heard]. The committee's demand is grounded on the fact that the referendums in Lithuania, Latvia and Estonia had firmly confirmed their people's wish to live in independent states. It also reminds that the Soviet Union recognised the Baltic states by the treaty of 1920. The letter points out that the Soviet Union has been continuously breaking its pledge.

Baltic Leaders Meet Economist Yavlinskiy 10 Jul

OW1107044491 Moscow BALTFAX in English 1230 GMT 10 Jul 91

[Transmitted via KYODO]

[Text] Top leaders of the three Baltic republics have had a meeting with Grigoriy Yavlinskiy, the famous economist, at Estonia's mission in Moscow today. Estonia and Latvia were representted by the chairmen of their Supreme Councils, Arnold Ruutel and Anatolijs Gorbunovs, and Lithuania, by its prime Minister, Gediminas Vagnorius, and its envoy in Moscow, Egidijus Bickauskas.

Yavlinskiy told a BF [BALTFAX] correspondent after the meeting that they had discussed economic problems and relations between republics intending to sign the Union treaty, on the one hand, and Estonia, Latvia and Lithuania, on the other. In his opinion, the Baltic leaders approve of many points in his programme, in particular those which deal with the formation of an economic community by all the former and future Union republics.

Estonia

Narva Votes No Confidence in Estonian Government

LD1007184591 Moscow TASS in English 1834 GMT 10 Jul 91

[By TASS correspondent Yevgeniy Kapov]

[Text] Narva July 10 TASS—Residents of the city of Narva situated on the border between Estonia and the Russian Federation, gave a vote of no confidence to the government of the Estonian Republic today.

Several thousands of people braved torrential rain and gathered at a rally, organised by the city's public organisations.

The protest followed the Estonian parliament's refusal to grant a free-trade economic status to Narva.

Narva residents placed much hope on the status, since the city's enterprises have accumulated a vast experience of work with Western partners. Passions exploded also because of spiralling prices after the republic freed prices on agricultural products.

Protesters carried the slogans "Narva Won't Stand on Its Knees", "No to Plundering Prices", "The Government Does Not Hear Us", "Down With the Government".

Several speakers at the rally called for the creation of a Baltic Soviet Socialist Republic in north-eastern Estonia.

Tensions were also fuelled by the fact that contrary to a decision by the Narva City Council to lift Estonian customs control in the city and to close a customs post on the Leningrad-Tallinn highway, customs officials began inspecting cargoes and licenses on the highway not far from Narva.

This hampered barter deals with the help of which Narva residents hoped to ease food shortages.

A resolution passed at the rally blasted the Estonian Government policy as anti-popular. The document called for an end to infringement on political and economic rights of ethnic minorities living in Estonia. It demanded social guarantees for all who need them and the implementation of the will of the majority of people in north-eastern Estonia on Estonia's status expressed during the Soviet referendum. Most residents in three cities in the region said during the referendum that Estonia should remain within the renewed Union.

Participants in the rally demanded a special status for the republic's north-eastern part.

New Prices in Estonian Food Stores Reported

PM1007075991 Moscow IZVESTIYA in Russian 2 Jul 91 Union Edition p 2

[Correspondent L. Levitskiy report: "Estonian Stores Dearest of All"]

[Text] Free prices and shock therapy, which have been argued about in Estonia for almost three years, became a reality as of 1 July.

Optimists maintain that a horrible end is better than an endless horror. Buoyed by such a wise thought, I cheerfully set out for the stores. I went to four. Alas, the shelves were still emptier than before. True, there was milk and kefir, but there was a very long line. First piece of information—a liter of kefir (unpackaged) cost 1.83 rubles [R]. This was double what it was yesterday. The

cost of milk had not changed—the government has maintained milk and meat prices.

Vegetables, as before, are extremely expensive: green cucumbers at R8.86 per kilogram, onions R8.87, tomatoes R12.87, and fennel R10.24. Of meat products, I found only forcemeat—pork half-and-half with beef. A 250-gram pack costs R5.54—a threefold increase. The stores' emptiness can be explained. The people of Tallinn had taken away everything of interest the previous day, without waiting for the price hike.

I will name the prices at which combines intend to sell their products to stores. Butter at R21 per kilogram. But I will pay R25-26 for it: Trade will add its own 17 percent, and there will be a 10-percent "purchase tax." This, too, is twice as high in Tallinn as in other republics. Boiled sausage at R25, and frankfurters and saveloys at R23.4. Beef will range between R15 and R26.

I was told these preliminary figures in one of Tallinn's largest supermarkets. Presently this is theory. But, if deliveries of basic foodstuffs remain the monopoly of the processing industry, life will not become any less expensive. Specialists believe that the cost of living will at least triple.

Increases Cause 'Hyperinflation'

PM1107085591 Moscow PRAVDA in Russian 4 Jul 91 Second Edition p 2

[Correspondent I. Teterin report: "Estonia: Hyperinflation? What Happened When Prices Were Left to 'Find Their Own Level'"]

[Text] We all know that the value of the ruble is falling. But the rate at which paper money is being devalued in Estonia today is not yet being experienced in the country's other republics—whether they be "parties to" the new state that is emerging or "refuseniks." Incidentally, a kind of record was set here 1 July. On that day prices in the produce market were allowed to "find their own level." And what happened as a result?

Speaking truthfully, nothing new has happened if you exclude the fact that many people in the republic are on the brink of poverty. I visited several food stores and can testify that the quantity of goods on the shelves was not increasing. But the prices! Here are a few examples. Boiled sausage, which less than a year ago cost about three rubles [R], now goes for R28 and a few kopecks. A small jar of sour cream costs R2.04. A liter of kefir goes for R1.83. And if you have decided to buy a kilogram of beef, be so kind as to extract R25 from your pocket. It comes to about this. Well, a bit cheaper, maybe—let us say R22.91 per kg.

But here is one other typical detail: There have been no riots or sharp protests over the price hike in the republic. There were statements from some social organizations, including from the leadership of the Communist Party of Estonia (CPEs). Ordinary consumers, however, are sweeping the shelves bare as before. And the people in the store even look on the old woman who is tearfully counting out the kopecks in her purse as a banal fact of the economic crisis.

And so, it is a fact—food prices in Estonia have become "free." The government, which refuses to control them, has promised to prevent only bread and milk prices from rising. It is appropriate to ask the question: So who wins and who loses by this freedom?

Alas, the average producer of agricultural produce will gain least from the latest price hike, some economists claim. After all, the increase in purchase prices is insignificant. Nor should we speak of the consumer, of course; his position is simply dreadful, whereas enterprises that process agricultural produce, like those that trade in it, are currently the winners. This link in the chain, which is still the same monopoly, can currently set any prices. In the absence of competition, when only the most timid of steps have been taken in the direction of privatization, when goods are in short supply and their output has declined overall, the intermediary links in the economic chain connecting the person who produces the product with the consumer find themselves in a very privileged position.

Neither the government nor the local authorities lose out under this arrangement. After all, price increases boost budget revenues. And in Estonia there is a turnover tax (on sales) to the tune of 10 percent. As a result, out of every R100 you leave in the store, R7 find their way into the republic's budget and another R3 go into the local treasury.

In a word, the current economic processes in Estonia cannot be called normal inflation any more—they constitute hyperinflation. After all, in less than a year food prices for certain types of goods have gone up here five-, seven-, or even 10-fold. Movement toward the market is being accompanied by devaluation of the ruble, which in Tallinn today is worth much less in real terms than, for example, in Moscow. And all this at a time when voices in parliament, the government, and the press are regularly calling for the need to introduce the republic's own currency. A committee for implementing financial reform has even been set up.

So could this be the reason for the latest sharp price hike in the republic? At any rate, at no time and in no place has hyperinflation ever been able to cure a sick economy. But when a population loses confidence in the currency unit in circulation, it becomes easy to prove to the population that it is necessary to implement financial reform with all haste.

Minister Apologizes To RSFSR

OW1107044791 Moscow BALTFAX in English 1230 GMT 10 Jul 91

[Transmitted via KYODO]

[Text] Estonia's Minister for the Economy Mr. Jaak Leimann has expressed his apologies to the government of the Russian Federation for "forgetting to formally notify Russia of the upcoming price rises in the republic" in an interview to the Estonian newspaper "RAHVA HAAL".

"I hope Mr Silayev will realize that under the present circumstances we had no choice", said Leimann.

He added the problem was "so insignificant it will in no way affect relations with Russia".

Russia's Prime-Minister Ivan Silayev last week sent a telgrams to Prime-Ministers of Estonia and Latvia protesting the unexpected price hikes on foodstuffs in these republics. Under the existing economic agreement concluded between Russia, Estonia and Latvia the sides are obligated to notify each other of all dramatic price increases.

In his telegrams Silayev said the rising of prices in Estonia and Latvia that comes into effect starting July 1 has adversely affected the consumer market in Russia, noting that the Russian authorities will take countermeasures to protect the consumer.

Objectives of Brzezinski Visit to Estonia Viewed

PM1007142391 Moscow SOVETSKAYA ROSSIYA in Russian 5 Jul 91 First Edition p 5

[A. Orlov report: "Visit From Across the Ocean"]

[Text] Hardly anyone in our country does not know the name of Zbigniew Brzezinski, who in the recent past was the U.S. President's national security adviser. The former aide may now have left active political life but he is still one of those U.S. ideologues who watch with unremitting attention the processes taking place in the USSR and who have influence when it comes to forming U.S. policy.

Mindful of all that, you can't help wondering about the step taken by Z. Brzezinski on 2 July. On that day he flew from Helsinki to the Baltics as a guest of Estonian "Bridges of Song" festival. In addition to the cultural program in Estonia, ETA reports, the guest also has scheduled meetings with A. Ruutel, chairman of the republic's Supreme Soviet, and E. Savisaar, head of the government. He has already talked with Deputy Speaker M. Lauristin, the foreign minister.

Possibly the Americans are becoming interested in the "Baltic Riddle" again, as some commentators said in conversation with me. Especially since on the eve of this visit Radio Liberty published the text of Bush's report on the actions of the administration and the Government of the United States in support of the "peaceful restoration of the Baltic states' independence." The statement said among other things: "There can be no doubt that the Soviet leadership is aware of the significance that the United States attaches to this question (that of the Baltic states—author's note) and how steadfastly we support the cause of the Balts' freedom. We emphasize the impermissibility of the use of force and insist on the urgent need for dialogue with freely elected representatives of the Baltic countries which would produce a result which respects the Balts' will for self-determination."

In the light of this document, it is not hard to see at least in part the aims of Brzezinski's mission. While here he also intends to have separate meetings with representatives of the different parties and to deliver a report to a conference on economic questions. His report will be dedicated to the depolitical development of the East European countries. It is reported that he also plans to go to Riga. Additionally, he will hold conversations with Leningrad Mayor A. Sobchak and former Foreign Minister E. Shevardnadze.

Latvia

Conclusions on OMON Activity Released

LD0907061291 Riga Radio Riga International in Latvian 1930 GMT 8 Jul 91

[Text] The commission of USSR people's deputies which has investigated the activity in Latvia of the OMON [Special Purpose Militia Detachment] unit subject to the USSR Interior Ministry has provided the conclusions of its investigation to Latvia. It states that the planned demolition activity by the OMON at customs posts occurred in accordance with the guidance of the procurator of the Latvian Soviet Socialist Republic. But, the USSR Interior Ministry and the USSR Procuracy are leading and [word indistinct] coordinating the activity of the OMON in Riga and Lithuania. The direct leadership of the OMON has been, and is probably still, carried out by Militia Colonel Goncharenko who is indeed not subject to the Ministry of Internal Affairs of the Republic of Latvia. The commission of USSR people's deputies (?writes) in its conclusions: The OMON and the Procuracy of the Lavian Soviet Socialist Republic will not (?under any) circumstances (?withdraw) from the republic. That is (?for the moment most) impossible. (?For such an act) responsibility must be (?taken) by the president of the USSR, the procurator of the USSR, the chairman of the USSR Supreme Soviet, the minister of defense, the minister of internal affairs, the chairman of the Committee for State Security, and the first secretary of the Central Committee of the Communist Party of Latvia. Regarding the Procuracy of the Latvian Soviet Socialist Republic, for whose existence there is no legal basis in the Republic of Latvia, (?its responsible center) is the political [word indistinct] of the Communist leadership.

Agreement Reached on Export Licensing

LD0907090691 Riga Radio Riga Network in Latvian 0900 GMT 8 Jul 91

[Text] The LETA News Agency reports that in Moscow an agreement has been concluded between the USSR Ministry of Foreign Economic Relations and the Council of Ministers of the Republic of Latvia on the system of regulating foreign economic relations in Latvia. With this agreement, the ministry has given Latvia the right to conduct export licensing. In the future, the republic's Department of Foreign Economic Relations will be granting licenses for both the export of goods in the republic and exports of goods of state (?significance) in accordance with the (?limits of the) USSR laws. Entrepreneurs in the republic may also receive certificates from foreign econonic relations officials in Riga and register themselves on the register of Latvian enterprises.

Within the competence of the republic will be the issuing of permits for both the formation of enterprises abroad and for the operation of importation, exportation, and special mediators. The agreement takes effect from the moment of its signing. Today the Department of Foreign Economic Relations of the Council of Ministers is starting to receive applications for permits to be issued.

Lithuania

Landsbergis Questioned on Situation

LD1007130291

[Editorial Report] Moscow Russian Television Network in Russian at 1547 GMT on 9 July carries the 70-minute recorded "Without Retouching" program sponsored by the Respublika Creative Association of Russian Television.

Today's guest in the studio is Vytautas Landsbergis, chairman of the Lithuanian Supreme Soviet. The studio presenter is Sergey Torchinkskiy, and Nina Zvereva is also working in the studio with him. Questions are to be put to Landsbergis by representatives of the press. Torchinskiy explains that most of the newspapers present were named by the candidates for the post of Russian Soviet Federated Socialist Republic president, but the program has also invited the newspapers GLASNOST, LITERATURNAYA GAZETA, and MOSKOVSKIY KOMSOMOLETS.

The newspapers present represent the whole range of political life of Russia and the Union, Torchinskiy says.

"Each of the correspondents has the right to a three-minute dialogue with you. After that, my colleague Nina Zvereva will ask her questions, and in the remaining time—the program will last exactly one hour 10 minutes—a situation close to an interview will arise," Torchinskiy says. He adds that the program is not being broadcast live for technical reasons only, not for any other.

Landsbergis has the right to make a short statement of around five minutes at first, the presenter says.

Landsbergis first reminds the viewers of the path which Lithuania has taken since its independence was restored, and of the difficulties and opposition which it encountered along the way.

Speaking of the Soviet-Lithuanian talks, Landsbergis says: "We are moving ahead in some things, but too slowly and without any guarantee that violence against us will not flourish. It is being measured out in doses now, but nevertheless it is being used as a means of pressure," he says, and complains that the Soviet side in the talks refused to be party to the principle of nonuse of violence against the other side.

"We are pinning our hopes on the deep transformations in the Soviet Union," he says, "and we are confident that the process of democratization will lead to normal relations between our countries, to goodneighborly relations, and to good cooperation."

Zvereva then takes the floor. SOVETSKAYA ROSSIYA is not represented today, she says. There are also various guests in the studio, she says: Antanas Braurokas, bodyguard of the chairman; and Lionginas Vasiliauskas, press attache of the mission of Lithuania in Moscow.

A KURANTY correspondent then asks Landsbergis if the Special Purpose Militia Detachment [OMON] has become less dangerous, and speaks of the events in January.

Of the January events, Landsbergis says:

"During the January events, we—and not just us, I think, this was discussed broadly—had every grounds for thinking that the events in the Baltic countries were a prelude to the overt advent to power of the military in the Soviet Union, too. They probably have a very great power and influence, too, now, but in an open form. As for a civil war, I do not see any grounds, at least in Lithuania, for such a thing, but perhaps on the scale of the Soviet Union, which we once hoped to avert by putting forward, on behalf of deputies of the Baltic countries, a draft law on the impermissibility of a war against one's own people as a law of the Soviet Union. But such a law was shelved for a long time, of course. However, I recall that we then wanted to put up some kind of barriers so that the army, whose task is to protect the country, would never be directed against the citizens of that country. But as far as we are concerned, the army in our country is an alien one. If it embarks upon some kind of violent actions against us, that is not a civil war but aggression, an attack which we can counter only with calm, unity, and possibly the ability not to give into provocation so that all these acts of attack misfire."

Replying to a question, Landsbergis says he has no political meetings planned as he is only passing through. TRUD asks whether Landsbergis can disprove the rumors that a quasi fascist state is being established in

his country. It is a difficult task, says Landsbergis, to prove that you are not a camel. Those that peddle these rumors frequently do not even understand what the terminology involved means. "I would say that we are alarmed by the manifestations of future fascism in the Soviet Union, and this is something that can, indeed, be seen," he adds. Landsbergis goes on to outline Lithuanian law on political parties. We have no laws which forbid dissident thinking, but all political organizations must be registered, a discussion begins between a woman correspondent and Landsbergis as follows:

Woman: "MOSKOVSKIYE NOVOSTI. Mr. Landsbergis, if President Gorbachev were to invite you tomorrow to attend talks in Novo- Ogarevo, what would your answer be?"

Landsbergis: "I would ask for how many hours?"

Woman: "Just that? You would not set out any conditions?"

Landsbergis: "For President Gorbachev, no."

Woman: "And would you yourself not like to come forward with such an initiative?"

Landsbergis: "I did come forward with such an initiative."

Woman: "What was the president's response?"

Landsbergis: "Silence."

Woman: "In that case, one more question. Please tell me who, among the political leaders of today, is closest to you: President Gorbachev, Zviad Gamsakhurdia, or Boris Yeltsin? I have in mind political convictions and moral stance alike."

Landsbergis: "Boris Yeltsin. I know him; I met him. His views are close to mine and I can even say that he is likeable. I have never in my life met Gamsakhurdia. As for President Gorbachev, I did have meetings with him. We need to talk. We also have difficulties."

Woman: "What sort of difficulties do you envisage in this dialogue?"

Landsbergis: "I think it is President Gorbachev's prejudice, to some extent, that he cannot agree in any way to go for any sort of peaceful agreement with Lithuania. We ought to have been talking about a peace treaty. After all, we came under occupation in 1940 and that is the way things have remained ever since."

Woman: "Do you not think that Gorbachev perceives this position as a certain set of conditions for your future talks?"

Landsbergis: "You know, in that case it is possible; after all, the situation as it was then was created—they created the conditions in which we find ourselves. So, grievances ought to be addressed to them; why is it that they have created for us preliminary conditions which are difficult?"

Woman: "Your view is that in any eventuality it is essential to seek out areas of agreement and to go for talks?"

Landsbergis: "Of course; and these areas of agreement even stand out in bold relief. A country that wants to be a law-governed state based on respect for the law must eliminate lawlessness. We are talking here about the state lawlessness which your country and President Gorbachev inherited as a leader."

Replying to NEZAVISIMAYA GAZETA, Landsbergis says that if the voting on the documents adopted on 11 March were to take place now, it would he thinks be identical, irrespective of the fact that Lithuanian statesmen may now have joined the forum for the future of Lithuania, and despite differences concerning various individual issues. He does agree that there is parliamentary opposition to his rule, comprising the former Communist Party under a new name, and some deputies. There is nothing special in that. He does not think that the intelligentsia plays as big a role in the opposition as it would appear to NEZAVISIMAYA GAZETA; and recalls how signatories of a protest letter last fall subsequently withdrew their signatures. There are those who think that property ought not to be returned to former owners, even though the confiscation was unjust and against the law. There are those who think some things could be done differently, Landsbergis states.

LITERATURNAYA GAZETA thinks that Lithuania's secessionist course is a bit too radical, and asks whether Landsbergis regrets the departure of Lithuanian deputies from the USSR Supreme Soviet, where the democratic front was thereby weakened by this step. Landsbergis replies in the affirmative to the second part of the question, saying that the Lithuanian deputies had no alternative but to leave. "Strengthening the democratic front as much as we can would have meant that we would have had to renounce independence. The very situation in which we found ourselves made it impossible because we had obligations to the voters and to our own conscience, and to this historical moment, when it became possible to have these things said for the first time," he says.

IZVESTIYA asks why the center appears to treat the more extreme Georgia more leniently than Lithuania. "Apparently the center has some secrets to which we are not privy," says Landsbergis. We have chosen a path of nonviolent political and parliamentary struggle for something that is an inalienable and incontrovertible right. "We think that the Soviet Union, too, needs such a solution in order to regenerate itself, for the purposes of self-purification, and to establish a law-governed state with at least some moral principles at the basis of this state," says Landsbergis.

"We will continue that policy, that is of assistance to the Soviet Union. But why isn't that accepted? Apparently, what is called the old way of thinking is considerably deeper than simply the possibility of changing one's way of thinking."

A correspondent then asks Landsbergis if he thinks that the old way of thinking is being applied to Lithuania and the new way of thinking to Georgia, to which Landsbergis says he can speak only of the experience of Lithuania. He continues:

"When I was in Germany recently, I was asked about comparisons with Slovenia. I said that our legal situations were different but what we share is that we oppose communism and violence. That is against us, too. I think that things will change by dint of such historical changes, not because one person or another suddenly begins to think about that, and that things must be resolved in a different way. Maybe that won't happen tomorrow, maybe there will still be attacks and victims, but what can you do about that?"

A PRAVDA correspondent asks why the Government of Lithuania calmy looks upon demands for the Russian-speaking population to leave the republic, when no such demands are made by other republics regarding their Lithuanian-speaking inhabitants. Landsbergis replies that while some anti-Russian slogans are to be seen in Lithuania, this does not reflect the mood of the public there.

The correspondent then cites the case of the chief editor of a Polish-language weekly magazine, who writes of various actions against him because he is standing up for his convictions. Landsbergis dismisses the complaint and says that people like the editor write such letters on order. If that is so, proceedings must be launched against the editor, but the truth must come out, the correspondent replies.

A MOSKOVSKIY KOMSOMOLETS correspondent asks about the competitive note in Landsbergis' utterances toward the other Baltic Republics and whether this is not harmful. Landsbergis says he is not aware of this; they are simply working as best they think, and not in order to be ahead of anyone else.

The same correspondent then asks about his attitude to G-7 help for the USSR. Landsbergis says there is no need to repeat what he said to West European governments during his trip. "We saw—and I think the Slovenes have recently had the same experience—how the vacillating attitude of the Western countries toward violence provokes fresh attacks, when there is a lack of consistency. We cannot determine any important policy, but we can express our opinions, and that is what we are doing. As for prolonging the agony, I would like to give the advice, if anyone is interested in my advice, that help should be directed at real changes and transformations," Landsbergis stresses. He says that the USSR is still built on compulsion, and the changes must be real ones, not cosmetic.

A correspondent from ROSSIYSKAYA GAZETA raises the question of agriculture, asking why its output has fallen. Landsbergis says he hopes things will be much better in future, while admitting to difficulties now, blaming them on economic pressure and the blockade. There are also the problems of the transitional period. As privatization gets under way, producers will be able to determine their interests. The correspondent questions the policy of encouraging small farmers. Landsbergis says this is a revival of the peasant as master of the land. There will be farms of a few dozen hectares, up to 50 or 80. It will depend on people's ability, manpower, and equipment, he adds.

Viktor Fikushin of the GLASNOST weekly then asks:

"Mr. Professor: You have already said today that there are no reasons for civil conflicts in Lithuania. Human rights are observed in Lithuania and dissent is not persecuted. We know that you hate everything Soviet and everything Communist, but as a sensible politician you must understand that extremism will never lead to success in politics. It is evident, all the same, that your stance is affecting parliament's stance somehow. I am quoting Prunskiene from the IZVESTIYA paper; the right-wing in parliament are dismissing former Communists from leading bodies and are pursuing a policy of anti-Communism and anti-Sovietism. So, is it the case that all these Communists in leading bodies are preparing a coup d'etat, or that this is rather the persecution of dissidents?"

Landsbergis replies: "It is hard for me to comment now on the remarks cited, and even more on your initial premise that I supposedly hate someone or something very much. That is not a realistic basis because I never feel that emotion. But as for our assessment of communism as something bad and of the past, I think this is happening everywhere. Quite soon there will an end to this. In other words, there will be an awareness that it was a very major mistake by some and an incredibly major crime by others. On the dismissal of Communists in Lithuania, I cannot say that this is so. Perhaps it has happened and is happening here and there, but of course today we have to think about who should be called communist. Many people in Lithuania now belong to the Democratic Labor Party. There are also Communists who are a branch of the Soviet Communist Party in Lithuania. Both the former and the latter occupy a variety of posts in economic management and self-government. Sometimes their influence is very great. They also head enterprises and collective farms and no one is dismissing them for this. There is no possibility, and indeed no one intends to carry out purges of any kind.

"As for the fact that in certain political circles, and sometimes in parliament, a lack of confidence is voiced in these organisations and in the aims of these organisations - well, why not? This is voiced openly. It represents, as it were, mutual criticism."

A correspondent notes Landsbergis' support for Slovenia's secession and asks for his reaction to the possibility of the creation of a Polish autonomy in Lithuania. Landsbergis says:

"You know that a rayon is not a state, and if a rayon adopts a decision to secede from a state and to join another state, this would probably be settled at negotiations between states, or at international talks, and not at the rayon level."

A KOMSOMOLSKAYA PRAVDA correspondent asks what Moscow and Vilnius wish to trade for at their political talks. Landsbergis says he prefers the term Kremlin to Moscow, and rejects the idea of trading. He reiterates Lithuania's desire for complete independence and the Kremlin's desire at all costs to keep Lithuania in the Union. The two sides are mutually repellent, but he hopes that political talks will proceed.

"Vilnius does not want to trade on such issues as freedom and independence," he says. It would be impossible, he asserts, for Lithuania to give in to the Kremlin. "We do have the right, but we do not have the power to renounce the course toward to independence, all the more so after the plebiscite of 9 February." Mutual understanding rather than trading is required at the talks, he says.

Torchinskiy invites a quick question from KRASNAYA ZVEZDA:

KRASNAYA ZVEZDA: "It is no secret that Lithuania has a dim view of the army. What would you personally, as chairman of the Lithuanian parliament, like to see done to give people a better attitude toward the army? Only on your part, I'm not talking about our side."

Landsbergis replies: "We've been talking for years about this. The army stationed in Lithuania has to have, well, some kind of justification for this deployment, say in the form of an agreement with Lithuania. This doesn't yet exist, and this means that this army is here, moving around, doing things, firing—that does happen unfortunately sometimes. In my view, that puts it in the position of an army of occupation, which is very much resented. It has long been time to normalize this."

Torchinskiy follows up: "And have you come forward with some kind of initiative? To resolve something even solely on the military issue?"

Landsbergis says: "Well of course, again and again."

Torchinskiy then hands over to Nina Zvereva, who addresses Braurokas, Bickaukas, and Vasiliauskas, asking them if there has been real danger to Landsbergis' life this year—Braurokas says not; who was the most frequent visitor to the Lithuanian mission in Moscow—no specific name is mentioned; what was the most popular newspaper—the question is evaded. The final question comes from Russian Television for Landsbergis, asking when he was most happy in his life. Landsbergis rhetorically asks: "What is happiness?" Torchinskiy draws the program to a close by thanking all the participants.

'Ready To Join' Novo-Ogarevo Talks

LD1007153591 Moscow Radio Moscow World Service in English 1200 GMT 10 Jul 91

[Text] The chairman of parliament of Lithuania, Vytautas Landsbergis, is ready to join the talk going on at the government residence of Novo-Ogarevo near Moscow. It is there that the USSR president meets with the leaders of the Soviet republics. Landsbergis made the statement in Moscow where he attended the television press club of the Russian Republic. He said he was ready to participate in the Novo-Ogarevo process without any preliminary conditions.

Commenting on that statement, MOSCOW NEWS says the talks between the USSR and Lithuania on a lower level have run up a blind alley. For already more than a year and a half, they could not find common ground and confrontation continues. So perhaps it is worthwhile looking for new ways, concludes the weekly.

Party Plenum Urges Dialogue With New Movements

PM1007112891 Moscow PRAVDA in Russian 8 Jul 91 Second Edition p 2

[PRAVDA correspondent Yu. Stroganov report: "Not Confrontation, but Dialogue"]

[Text] Vilnius—A Lithuanian Communist Party Central Committee plenum held in Vilnius on Saturday discussed the tactics of the republic's Communists in the present circumstances, as well as their attitude to the draft Union treaty. M. Burokevicius, first secretary of the Lithuanian Communist Party Central Committee and member of the CPSU Central Committee Politburo, and A. Naudzunas, secretary of the Lithuanian Communist Party Central Committee, delivered reports.

M. Burokevicius gave an analysis of the situation which has developed in Lithuania and described a number of the republic's parties and movements. The idea of the necessity to find ways to have a dialogue with those of them which have a realistic standpoint permeated the report. The plenum also expressed a negative attitude toward the formation of the new movement "For Unification of the Forces of Democracy and Reforms."

Yu. Manayenkov, secretary of the CPSU Central Committee, participated in the plenum's work.

Commerce Minister Resigns

OW1107050591 Moscow BALTFAX in English 0930 GMT 10 Jul 91

[Transmitted via KYODO]

[Text] Lithuania's minister of commerce, Albertas Sinevicius, applied for resignation at yesterday's session of the Supreme Council of the Republic. He said he had decided to leave because he had been elected general director of the Lithuanian Stock Exchange.

The Supreme Council accepted his resignation, but asked him to remain in his post until his successor was appointed.

BF's [BALTFAX] Lithuanian correspondent mentions that Albertas Sinevicius was also a member of the previous Lithuanian Government, which was headed by Kazimiera Prunskiene.

Prime Minister Vagnorius, who spoke after Sinevicius, asked Parliament to give Sinevicius provisional appointment as minister of the interior as well.

Today's acting minister of the interior, Marijonas Misiukonis, was also a minister in the Prunskiene government, but, when Prunskiene resigned, he was given provisional appointment as minister of the interior.

Vagnorius asked Parliament to approve another few alterations in the government, namely he suggested that Algis Dobrovolskas, the present minister of social security, be appointed Vice-Premier, that Rimantas Smetona, chairman of the nationalist Tautininkai Party, be made a minister without portfolio and put in charge of contacts with Lithuanian emigration, and that Gediminas Kirkilas, vice-chairman of the Democratic Labour party, also be appointed minister without portfolio, with the task of "settling conflicts within the Republic".

Six Candidates Nominated for Supreme Soviet Chair

LD1007152991 Moscow Radio Rossii Network in Russian 1330 GMT 10 Jul 91

[Text] Today the fifth extraordinary Russian Congress of People's Deputies started. The main issue is the election of a chairman of the Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet. We have reported in detail on the afternoon session of the congress, and in our evening program we will discuss the continuation of the congress' work.

We have just received fresh news. Six candidates have been nominated for the post of chairman of the RSFSR Supreme Soviet by various deputies' groups. These are Deputies Baburin, Volkogonov, Lukin, Stepanov, Khasbulatov, and Shakhray. Deputy Arzhanikov nominated himself. Deputy Volkogonov stepped down.

The discussion of the candidates has been postponed until tomorrow.

Candidates Speak on Policy

LD1107132991 Moscow TASS in English 1318 GMT 11 Jul 91

[By TASS correspondents Lyudmila Aleksandrova, Yuri Kozmin, and Andrey Surzhanskiy]

[Text] Moscow July 11 TASS—Today's morning session of the fifth extraordinary Congress of People's Deputies of the Russian Federation was addressed by six contenders for the post of chairman of the Russian parliament. They set forth their ideas about the changing role of the parliament in connection with the election of the Russian president.

Nikolay Arzhannikov who put forward his candidature himself was the first to speak. He believes that the Parliament should be reorganised and, at the same time, that judicial power should be strengthened.

Sergey Baburin representing the Russia Centrist Group stressed that "the parliament will have to do its best not to allow it to be turned into a toy of the presidential system."

Vladimir Lukin, chairman of the parliamentary Committee for International Affairs and Foreign Economic Relations, a candidate of a number of left-wing radical groups, believes that the first thing to do should be to clearly divide the functions of the president, the parliament and the constitutional court.

Viktor Stepanov, chairman of the Karelian parliament, who was nominated by the Communists of Russia Group, said that first the Union treaty should be signed and then the prerogatives of the republican parliament should be defined.

Ruslan Khasbulatov, first deputy head of the Russian parliament nominated by the Democratic Russia Group, believes that the introduction of executive presidency makes it incumbent to create a mechanism in parliament for keeping the work of the president under control.

Chairman of the parliamentary Committee for Legislation Sergey Shakhray, the last to speak, singled out "three main instruments of the parliament's influence on presidential authority—laws, budget and control."

Ramazan Abdulatipov, chairman of one of the chambers of the Russian parliament, told TASS that during the election the struggle would be mostly between Viktor Stepanov, Ruslan Khasbulatov and Sergey Baburin. Dmitriy Volkogonov, a well-known historian and member of the Russian parliament, believes that Khasbulatov has the greatest chance of being elected. He believes that Khasbulatov and Shakhray as chairman and first deputy chairman of the Russian parliament would be the best combination.

The discussion of the candidatures and the subsequent voting will take place at the afternoon session.

Election Prospects Viewed

LD1007192991 Moscow Russian Television Network in Russian 1700 GMT 10 Jul 91

[From the "Vesti" newscast]

[Text] [Announcer Dorenko] Yeltsin has become president, but this has not rid him of problems or opponents. As of today, everything that goes wrong in our life will be attributed to Yeltsin and the democrats. The first thing that may evoke the population's disappointment in their choice is the economy. The conservatives hope that the gathering in of the harvest will prove too much for the new Russian Government and that hunger and the halting of enterprises will intensfiy nostalgia for the sausages of Brezhnev's times.

The second problem is the possible conflict of legislative power. Deputies are concerned that the president's power could be blocked by the Supreme Soviet and the congress. So, the question of who will head the parliament is now becoming important for all factions. The post is vacant after Yeltsin; six people are now candidates for it. Both the democrats and the conservatives have been unable to reach agreement within their ranks. The Democrats have refused to support only Khasbulatov. Competing with him in the democratic wing are Shakhray and Lukin. Stepanov and Baburin are competing among the Communists.

The fact that several candidates are being put forward from a single tendency is not the result of miscalculations in the tactics of the pre-election struggle, but the result of a regrouping of forces caused, on the one hand, by the result of the people's voting for reform on 12 June and, on the other hand by Yeltsin's rapprochement with Gorbachev which the ultra-radicals cannot forgive. Nonetheless, evidently one of the democrats will come through because only Baburin among the conservatives

enjoys popularity amongst the uncommitted center, and he is opposed by Lukin, Shakhray, and Khasbulatov.

[Begin Dmitry Volkonov recording] I think that there will be no victor in the first round. But I think that in the second round, of all the variants, Ruslan Imranovich Khasbulatov will come through. He has been able to show himself as a skillfull speaker of the chamber. Not faultless, but still a man who could control a body which is still not at a sufficiently high political level. [end recording]

[Dorenko] The deputies will make their choice tomorrow. Sergey Dorenko, Vesti, Russian Television.

10 Jul Congress of People's Deputies Proceedings

LD1007213891

[Editorial Report] Moscow Russian Television Network in Russian at 1931 GMT on 10 July carries a 66-minute edition of its regularly scheduled "At the Russian Soviet Federated Socialist Republic [RSFSR] Congress of People's Deuties" program, including recorded highlights of the RSFSR Congress of People's Deputies session in the Kremlin on 10 July.

The program opens with Ruslan Khasbulatov, RSFSR Supreme Soviet first deputy chairman, officially opening the congress after RSFSR President Boris Yeltsin's inauguration ceremony.

Khasbulatov takes attendance before calling for a vote on the congress agenda. Deputies approve the agenda in principle.

Khasbulatov then calls for a vote on Deputy Alekseyev's proposal that the question of social protection measures for servicemen be discussed. Deputies reject the proposal.

Khasbulatov then calls for a vote on Deputy Babayev's proposal that the congress consider the issue of changing Leningrad's name to Saint Petersburg. Deputies reject the proposal.

At 1946 GMT deputies approve the proposal that the agriculture minister report on grain production.

A second vote is then taken on the congress agenda, which deputies again approve in principle.

At 1948 GMT the Credentials Commission chairman updates various deputies' mandates.

At 1952 GMT Khasbulatov reads a decision to suspend deputy credentials for Yeltsin and Rutskoy. Deputies approve the decision.

An unidentified deputy then calls for intermission until 1200 GMT to give heads of parties and groups more coordination time.

At 1957 GMT Russian Television interrupts the program to carry its regularly scheduled "Vesti" newscast.

At 2015 GMT the program resumes, with Khasbulatov detailing the procedure for nominating people to the RSFSR Supreme Soviet chairmanship. He notes that either groups or individuals can make nominations and that people are allowed to nominate themselves. The Council of Political Groupings chairman then rises to list and detail the RSFSR Supreme Soviet chairman candidates, before noting that debate on the chairmanship will begin on 11 July so as to allow all candidates a chance to speak.

The following deputies then nominate themselves: Baburin, Arzhannikov, Lukin, Stepanov, Khasbulatov, and Shakhray. Volkogonov withdraws his candidacy because "his train has passed the 62nd kilometer" and offers his support to Khasbulatov and Shakhray. Kovalev withdraws his candidacy without giving any reason and offers his support to Lukin and Shakhray.

Deputies then approve the proposal to debate the chairmanship on 11 July.

At 2047 GMT an unidentified deputy rises to criticizes deputies who are "moonlighting" with outside jobs.

At 2048 GMT Alekseyev rises to lament the absence of the soldiers' welfare issue from the agenda.

At 2055 GMT the program ends while Alekseyev is speaking.

Khasbulatov Opens Congress

LD1007154191

[Editorial Report] Moscow Radio Rossii Network in Russian at 1210 GMT on 10 July broadcasts a 20-minute report by correspondents Vladimir Baburin on the opening of the Fifth Extraordinary Congress of People's Deputies of the Russian Federation. He notes that it was opened by Khasbulatov, first deputy chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet, who said:

"Over recent years we have all lost the taste for high-flown phrases but the nostalgic attraction toward them remains. I wish to stress, only from a respect for the truth, that today we are opening an historic Congress of People's Deputies of the Russian Federation. Though numerically the fifth congress, by virtue of the changes which have taken place in the federation over precisely a year since we started working together it is a first. Over the past 12 months we have covered a path which has brought us to a qualitatively new level of understanding of the tasks of state political and economic reform. Although voters have the right to reproach us for the fact that the quality of life has not, as yet, changed significantly, we spent last year working only on creating the most decisive prerequisites for this.

"In our routine parliamentary work, we sometimes are unaware of how heavy the burden is of a truly functioning Russian parliament. Evidently more than one generation of deputies will have to work the heavy but

bountiful soil of creating a democratic state and of returning the Russian Federation to the family of world civilization with minimal cost to national feelings and to pride in our poor but nonetheless mighty Fatherland.

"In April 1985 time was irretrievably lost which could have been spent usefully at least in an honest search for a formula for reform. Unfortunately, only recently has the country's top leadership, it appears, made a final choice in favor of a strengthened democratic trend in our society. But even today, the traditional bureaucratic structures are (?mimicking) and trying to grow into the reform which the Russian Federation really began with our arrival within these walls.

"Sometimes some of us ask: What are we to tell our voters? Tell them that from June 1990 the Congress and Supreme Soviet of the Russian Federation began a genuine tranformation of our country. Tell them and you will not go wrong. It is not for me to remind you, esteemed People's Deputies, of the importance of the adopted laws on land reform, on the reorganization of the financial and banking system, laws which liberate healthy enterprise in trade and industry.

"We have also achieved considerable success toward a Union treaty ensuring the unity and integrity of the Union state and the unity and integrity of the Russian Federation. Strategically, we have in fact been dealing with this vital task—the preservation of a united Russia, a fatherland of many peoples and many nations. Only together can we solve our economic and social problems and this is becoming increasingly obvious for the people of our country. The sovereign rights of subjects of the federation are legitimate, but they should not destroy the unity of the Russian Federation and its independence as a multinational state.

"The first president of Russia, Boris Nikolayevich Yeltsin, will be, I am sure, a bearer of state and moral authority which, as well as the prosperity of a unified Russian economic space, will guarantee the stability and viability of legal standards in our common Russian home and our fatherland. It is our duty to help the president to create a hierarchy of effective state power which citizens can understand, to create a favorable legislative basis for the effective functioning of presidential power. We have to set going to a system of fruitful interaction between presidential power and the legislative work of the Supreme Soviet. I think that the only criterion for mutual understanding in this between the various political tendencies should be not narrowly perceived group or national concerns, but civic responsibility for the destiny of the multi-national Russian state and for the prosperity of its peoples."

Baburin then reports on the subsequent proceedings presenting recorded excerpts of remarks by various deputies on the order of the agenda.

Deputies Approve Agenda

OW1107035091 Moscow INTERFAX in English 1230 GMT 10 Jul 91

[Transmitted via KYODO]

[Text] The 5th extraordinary Congress of People's Deputies of Russia has approved its agenda. On Wednesday it is to elect the drafting committee, form the accounting commission, hear the report of the mandate commission on the checkup of the powers of Deputies elected after the previous Congress and pass an appropriate resolution. The Congress should also relieve Boris Yeltsin of his duties of the Chairman of the Russian parliament and people's deputy. A similar step was taken regarding Vice President Aleksand Rutskoy. The last item on the agenda is the election of the new chairman of parliament. The elections are due on Thursday.

The Congress turned down proposals to discuss additionally the privatization of housing, the social security of militarymen, the state of affairs at Leningrad television and the return of the name of St. Petersburg to Leningrad.

It was decided to include in the agenda as an additional issue a report of the Russian Finance Minister on the state of the Budget. The Congress will end on Friday.

Patriarch Aleksey Addresses Congress

LD1007133991 Moscow Russian Television Network in Russian 0665 GMT 10 Jul 91

[Address by Russian Patriarch Aleksey II at the opening of the Russian Soviet Federated Socialist Republic (RSFSR) Fifth Congress of People's Deputies and the inauguration of Russian President Boris Yeltsin at the Kremlin in Moscow on 10 July—live]

[Excerpts] Esteemed Boris Nikolayevich! At this moment, during the first minutes of the first president of Russia, I would like to address to you not words of congratulation; those I will express later. I want to talk about Russia. My duty as patriarch on this day is to tell you about the burden you are taking upon yourself. You have taken responsibility for a country which is seriously ill. Seven decades of destruction of its spiritual structure and inner unity have been accompanied by a strengthening of the heavy external bonds of coercive statehood. Three generations of people have grown up under conditions that have removed from them the desire and the ability to work. [passage omitted]

Today Russia is inhabited not only by the kind of people that existed at the beginning of the century. I would therefore like to share with you Boris Nikolayevich, my human and Christian conviction that today there is no sense in looking for certain incarnate bearers of evil in our country in the belief that their removal from the political arena will rectify everything. As a priest I am only too well aware of the fact that evil designs lurk in the hearts of people, and that there is nothing more

difficult nor more important than the healing of the human heart. I am telling you this so that you will always proceed from anthropological realism.

Once upon a time Russia's Communist rulers believed that only the system of imperial Russia was bad and that having obtained power they would manufacture new human material, as they put it, and create a wonderful society. We see the tragedies which resulted from their inability to understand where the real source of the sinful distortions of life lies and where the limits to possible social manipulation runs. Boris Nikolayevich, I am reminding you of this so that patience and wisdom may never desert you. Forgive people, for people cannot be refashioned overnight or over a period of 500 days. I am speaking not only of your political opponents or coworkers but of all Russians. A sick society and people who have endured so much need understanding, love and patience. It behooves us therefore to recall more often the words of the apostle that we should carry each other's burdens and thus fulfill the law of Christ. [passage omitted]

By the choice of the people a heavy cross has been laid upon you. You bear responsibility not just before the people but before God. You have accepted not honor, not privilege, but responsibility. As far as the church is concerned and the religious associations and their future, we hope that Russia's new president will assist the return to the church of its ancient sacred places, shrines and cloisters and that Russia's participation in their restoration will be envisaged.

We also hope that the ancient cities of Russia will have their historic names returned to them. First and foremost I have in mind the return to the town of Zagorsk of its ancient name of Sergeyev Posad, especially since the 600th anniversary of the death of the holy Sergey Radonezhskiy, the great zealot and patriot of the Russian land, falls next year; and also the return of the historic name to the city of St. Peter.

May the most gracious Lord strengthen you. Our church, not just those who are living now, but all Russian saints and martyrs of former years if we are worthy of it will pray for you. [passage omitted]

TASS Rounds Up Congress

LD1007163391 Moscow TASS in English 1600 GMT 10 Jul 91

[By TASS parliamentary correspondents Lyudmila Alexandrova, Yuriy Kozmin and Andrey Surzhansky]

[Text] Moscow 10 July TASS—The Fifth Russian Extraordinary Congress of People's Deputies, which began its deliberations in the Kremlin Palace of Congresses today, opened with the swearing-in ceremony of first Russian President Boris Yeltsin.

Soviet President Mikhail Gorbachev, Chairman of the all-Union Parliament Anatoliy Lukyanov and Soviet Prime Minister Valentin Pavlov were present at the ceremony as honorary guests.

The ceremony was also attended by all-Union legislators, representatives of Union republics and republics forming the Russian Federation, as well as representatives of Moscow factories and organisations.

The ceremony was held in a festive atmosphere. The national anthem of the Russian Federation was played, and the flag of the Russian Federation was hoisted over the residence of the Russian president in the Kremlin.

Patriarch Aleksiy II of Moscow and all Russia and President Gorbachev greeted the first Russian president.

Delivering the policy-setting speech, Yeltsin noted that for the first time in their history Russians chose not only their president but also their own road, "the road of reforms, democracy and the revival of human dignity".

After the ceremony, its participants laid wreaths at the tomb of the unknown soldier by the Kremlin wall.

After a brief interval, the fifth congress continued its deliberations at the Grand Kremlin Palace according to the agenda. At the evening session, six candidates were nominated for the post of chairman of the Russian standing parliament, which was occupied by Yeltsin until now.

The Democratic Russia, Communists for Democracy groups and independents nominated present First Deputy Chairman of the Russian Parliament Ruslan Khasbulatov.

The radical democrats and left-wing centre groups slated Chairman of the Parliamentary Committee on Legislation Sergey Shakhray, while Russian Union, Smena and the united group of social democratic and republican parties—member of the Supreme Soviet presidium Vladimir Lukin.

Thus, democrats in the Russian parliament failed to nominate a single candidate. Khasbulatov is considered to be the front-runner.

Communists of Russia nominated Viktor Stepanov, chairman of the Karelian Republic's parliament, while the Russia centrist group—member of the Russian standing parliament Sergey Baburin.

Deputy Chairman of the Supreme Soviet Committee on Human Rights Nikolay Arzhannikov slated his own candidacy.

The congress will continue to discuss this issue tomorrow.

A concert, devoted to the swearing-in of the first Russian president, will be held in the Kremlin Palace of Congresses today.

Congress of People's Deputies Resumes 11 Jul

LD1107083991 Moscow TASS International Service in Russian 0730 GMT 11 Jul 91

[By TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow, 11 Jul (TASS)—The Extraordinary Fifth Congress of Russian Soviet Federated Socialist Republic [RSFSR] People's Deputies has resumed work today at the Great Kremlin Palace.

The forum began yesterday with a festive session in the Kremlin Palace of Congresses devoted to the inauguration of Boris Yeltsin, first president of Russia.

After the festive part, the deputies set about tackling the congress' working program. Today they will continue discussion of the first item on the agenda, i.e., electing a new RSFSR Supreme Soviet chairman.

At yesterday evening's session six candidates were nominated for the post of chairman of the RSFSR Supreme Soviet by various deputies' groups. The "Democratic Russia" and "Communists for Democracy" factions and the non-party people nominated Ruslan Khasbulatov, the present first deputy head of the Russian parliament. The "Radical Democrats" and "Left of Center" factions nominated Sergey Shakhray, candidate member of the presidium of the RSFSR Supreme Soviet. Finally, the "Russian Alliance," "Change" [Smena], and the "United Faction of the Social-Democrat and Republican Parties" nominated Vladimir Lukin, member of the parliament's presidium. One candidate nominated himself—this was Nikolay Arzhannikov, deputy chairman of the committee of the Russian parliament for human rights. Thus the democrats' camp appeared to be split, since they were not able to unite around one candidate.

The "Communists of Russia" nominated Viktor Stepanov, chairman of the parliament of the Karelian Republic, and the "Russia" centrist group nominated Sergey Baburin.

Today the candidates for the post of head of the parliament have to make speeches, setting out their programs, and then there will be a secret ballot.

With the situation that has taken shape it is hardly likely that any one of the candidates will manage to get more than half of the deputies' votes immediately, which will make a second round of voting necessary. Ruslan Khasbulatov's chances are thought to be preferable.

Russian Communists Congratulate Yeltsin

LD1007140691 Moscow All-Union Radio Mayak in Russian 1300 GMT 10 Jul 91

[Text] The Politburo of the Communist Party of the Russian Soviet Federated Socialist Republic Central Committee sent congratulations to the president of Russia. The telegram says that the Communist Party of the Russian Federation advocates constructive cooperation and honest dialogue with all those who want to preserve the USSR and strengthen the sovereignty of the Russian Republic.

Gorbachev Greets Congress of N. Ossetia Peoples

PM1007142591 Moscow PRAVDA in Russian 5 Jul 91 Second Edition p 2

[President M. Gorbachev greetings message "To the First Congress of the Peoples of North Ossetia"; date not given]

[Text] I cordially congratulate the participants in the First Congress of the Peoples of North Ossetia—representatives of a multinational republic—who have gathered to consolidate their forces in order to strengthen civic peace and national harmony.

Through all their difficulties and trials the republic's working people have kept faith with the idea of brotherhood and cooperation among the peoples, carefully safeguarding age-old traditions of mutual understanding and trust. You are rightly proud of the abundant spiritual legacy of ancient North Ossetia, and of the selflessness and heroism shown by the Ossetian people and all the republic's working people in their military battle for our fatherland's freedom and independence during the Great Patriotic War.

Soviet people know how much human sympathy and participation was shown by the Ossetian people in connection with the tragic events in South Ossetia and the consequences of the destructive earthquake. You were among the first to come to the aid of the afflicted, and you gave shelter to tens of thousands of refugees.

I hope that your congress is fruitful, and I express the firm conviction that North Ossetia's working people will make every effort to realize the noble goals and tasks of renewing society.

Happiness, peace, and prosperity to every family in multinational North Ossetia!

USSR President M. Gorbachev

Presidential Rule Heralds Changes in Tatarstan

PM1007091591 Moscow IZVESTIYA in Russian 6 Jul 91 Union Edition p 2

["Direct Line" report by Alyans Sabirov: "Tatarstan: Start of Presidential Rule"]

[Text] Kazan—M. Shaymiyev, first president of Tatarstan, has entered into office.

The parliament elected the republic's vice president; he is Doctor of Juridical Sciences Professor V. Likhachev

An extraordinary session of the Tatarstan Supreme Soviet adopted decisions that herald the beginning of the practical transition to a presidential form of rule. In

effect, the entire structure of power is to change in order to boost the effectiveness of both republic and local organs.

The session largely shaped the composition of the Tatarstan Government. More radical changes are to take place after the law on the Cabinet of Ministers is adopted.

The main thing is that the work of the administrative and managerial apparatus is to be boosted to a qualitatively higher level and scope is to be ensured for entrepreneurial activity in town and country. The main transformations concern the economic sphere, where enterprises are today being transferred to Tatarstan's jurisdiction. They include, for instance, the Kazan Compressor Plant. The Kama Truck Plant is carrying out privatization on the largest scale in the USSR: Members of the labor collective are being sold shares worth 250 million rubles in all.

Supreme Soviet Debates Law on Prosecutor's Office

PM1107082991 Moscow IZVESTIYA in Russian 3 Jul 91 Union Edition p 1

[I. Yelistratov and V. Kurasov report: "Russian Prosecutor's Office Acquires Rights"]

[Text] The morning joint sitting of the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet chambers should have begun by discussing amendments to the Law "On the Privatization of State and Municipal Enterprises."

However, the electronic register showed that the Soviet of Nationalities lacked a quorum. Chairman R. Khasbulatov then slightly amended the order of business and gave the floor to RSFSR General Prosecutor V. Stepankov to submit the draft law on the republic prosecutor's office.

The adoption of this document has been brought about by the need to form a unified centralized system for the autonomous independent Russian Prosecutor's Office, accountable only to Russia's supreme organs of power and under the jurisdiction of the RSFSR General Prosecutor alone.

The draft proceeds from the concept that the prosecutor needs strong powers to ensure the real protection of Russian state sovereignty, citizens' rights and freedoms, and the interests of enterprises and organizations.

Unlike the existing law on the prosecutor's office, the proposed draft singles out its function in the protection of rights as a priority for the prosecutor's office, confines its activity to supervising execution of laws, and eliminates the possibility of any groundless broadening of its functions or of its supplanting the organs of management and control.

The draft ensures the independence of the Russian Prosecutor's Office not only from organs of power and management and not only from the USSR Prosecutor's Office, but also from political parties, public organizations, and mass movements.

A number of the draft's norms are designed to increase legal and social protection for Prosecutor's Office personnel.

The high standards of preparatory work on the document have made it possible not to merely "take cognizance of" V. Stepankov's report, as the draft resolution presupposed, but to adopt the entire draft law on its first reading.

The third attempt at electronic registration revealed that the number of members of the Soviet of Nationalities present in the hall finally produced a quorum, and deputies began discussing amendments to the draft law on privatization.

Supreme Soviet Group Visits NATO Headquarters

PM1107092791 Moscow KRASNAYA ZVEZDA in Russian 3 Jul 91 Second Edition p 3

[TASS correspondent S. Simonenko report: "At NATO Headquarters"]

[Text] Brussels, 2 Jul—NATO headquarters has been visited by an RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet delegation headed by S. Stepashin, chairman of the republic parliament's Security Committee. It came at the invitation of the North Atlantic alliance's information service within the framework of the program of familiarization trips for East European countries.

Members of the Soviet delegation familiarized themselves with the areas and structure of the military-political bloc's activities and the prospects for its development.

Sobchak Warns of Dismissals of Enterprise Leaders

PM1007111891 Moscow PRAVDA in Russian 8 Jul 91 Second Edition p 1

[Unnamed PRAVDA correspondent report: "Dismissals To Come"]

[Text] Leningrad—The city's mayor called for a defensive ring to be formed around the free economic zone at a meeting in the Mariinskiy Palace with leaders of subdivisions of the union of associations of industrial enterprises, construction, science, transport, and communications. It is necessary to do this, since, he says, "it is not possible to predict today what can be expected from the Union or Russian Government tomorrow."

In a personal monologue delivered from the rostrum, A. Sobchak touched on a multitude of questions. The food problem has become particularly acute. The depressing situation with supplies may become even more grave in the near future. His appeal to the meeting's participants—the enterprises' leaders—for regional isolation

and his unequivocal warnings of determination to cut short the actions of those of them who decide to participate in Union-republic associations and concerns seem hardly likely to defuse the situation.

Putting forward his conception for the reorganization of executive power, the mayor stated: Leningrad City Soviet in its present form has demonstrated its inability to function. It is necessary to reduce sharply the number of paid deputies, as well as nonproductive ispolkom [executive committee] services. Those enterprise leaders whose actions go against city hall recommendations will also have to part with their positions.

Old Nuclear Accidents Still Affect Chelyabinsk

PM1007122191 Moscow Russian Television Network in Russian 1700 GMT 3 Jul 91

[Report by E. Zlobinskaya; From the "Vesti" newscast]

[Text] [Zlobinskaya] Chelyabinsk Oblast, Muslyumovo village. This locality has been dubbed "Chelyabinsk Oblast's Chernobyl," although our radiation accidents occurred long before the Chernobyl disaster.

The first occurred here, on the Techa Stream. After the war, when the fatherland's nuclear shields were being forged, the "Mayak" Chemical Combine allowed radioactive waste to flow into the stream.

[First unidentified woman] We are constantly in an out of the hospital for treatment.

[Second unidentified woman] Our children are sick. My son, for example, suffers from convulsions.

[First unidentified woman] My daughter is 14. She has no front teeth. No teeth at all.

[Third unidentified woman] Young people are dying....

[Video shows group of men bending over gamma spectrometer] [word indistinct] is saying that regarding cesium content, the readings are 200-fold those taken in Chelyabinsk.

[Zlobinskaya] The Techa is the site of just one of our radiation accidents. There was also an explosion at the "Mayak" Chemical Combine in 1957. And there was a blowout of radioactive dust in 1967.

This is "Vesti" from Chelyabinsk Oblast. Journalist Elvina Zlobinskaya.

Village Under Construction for Chernobyl Evacuees

PM1007150591 Moscow Central Television First Program Network in Russian 1200 GMT 5 Jul 91

[Report by Yu. Repeynikov and A. Budulatyev from Kirovograd Oblast; from the "Television News Service" newscast]

[Text] [Repeynikov] Leninka village in Kompaneyevskiy Rayon had no future. It was eking out the last years of its existence and would have faded away had it not been chosen by people who were driven out of the Chernobyl zone as a result of the accident.

They are planning to retain the name of their old village and collective farm, whose chairman is coming with them, at their new place of residence. The Kirovograd authorities have allocated 400,000 hectares of land to them, to live on and to cultivate. By the time the new settlers arrive, that is by the end of August, the "Kirovogradstroy" trust will have built 96 special-design houses which are springing up like mushrooms. This is because the builders, for the first time in recent years, are not being held up by shortages of walling materials. The situation is not so good, however, when it comes to timber and pipes for the gas supply lines. Suppliers in the Russian Federation are letting the builders down. Yet the village is being built for people rather than for the book and therefore it is important to provide all the amenities—water, gas, and electricity, that is. But it appears that Resolution No. 228 of the country's Council of Ministers is not perceived as a command by everyone. Therefore some people are trying hard, while to others, suppliers of timber and pipes in this case, it is a matter of indifference.

North Caucasus Forms Economic Cooperation Group

PM1007081291 Moscow IZVESTIYA in Russian 4 Jul 91 Union Edition p 2

["Direct Line" report by Vladimir But: "North Caucasus Association Established"]

[Text] Rostov-na-Donu—Representatives from Adygeia, Dagestan, Kabardino-Balkaria, North Ossetia, Chechen-Ingushetia, Krasnodar and Stavropol Krays, and Rostov Oblast decided to unite in a socioeconomic cooperation association at a meeting in Rostov-na-Donu.

Organizational work to set up the mechanism and conditions of cooperation in the region has been going on for several months. Economic ties have already started to stabilize. But not everything depends on the republics and krays themselves. That is why they appealed to the Russian president to grant the regions the right to retain half their hard currency earnings and also to allow producers to retain 10 percent of the output they produce, which would make it possible to set up territorial commodity resource funds. The appeal also raises the issues of the right to make barter deals, export licensing, establishing foreign trade and innovation banks....

Tatar Committee Behind Paper's Nonpublication

PM1007142591 Moscow ROSSIYSKAYA GAZETA in Russian 6 Jul 91 p 3

[Unattributed report: "'Streamlined....' Why People in Kazan Stopped Printing ROSSIYSKAYA GAZETA"]

[Text] As we have already reported, people in Kazan have stopped printing ROSSIYSKAYA GAZETA. Why? Let us cite SOVETSKAYA TATARIYA—the organ of the Tatar Republic CPSU Committee. The report from a sitting of the CPSU republic committee bureau literally said the following:

"The CPSU Republic Committee Bureau has examined the question 'On Streamlining the Printing Activity of the Tatar Republic CPSU Committee's Newspaper and Journal Publishing House.' The adopted resolution notes that of late the CPSU republic committee's newspaper and journal publishing house has actively developed its commercial activity and taken vigorous steps to make effective use of production capacities with a view to preserving the enterprise's profitability and stabilizing its economic position in conditions of the transition to the market.

"At the same time the republic's party organization voices righteous indignation at cases where newspapers and other anticommunist printed matter have been produced at a newspaper and journal publishing house that belongs to the CPSU. A number of publications printed at the publishing house's printing plant are consistently propagandizing ideas of replacing the socio-political system and exacting reprisals from Communists.

"The CPSU republic committee bureau resolved to deem inadmissible cases where the republic party organization's printing base has been used to publish anti-communist and anti-Soviet newspapers and journals."

The mass media have already announced that ROSSIYSKAYA GAZETA, the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet publication, was the first casualty of the decision adopted by the CPSU republic committee bureau.

The Tatar Republic CPSU Committee's newspaper and journal publishing house, flagrantly violating legislation, virtually hurled the newspaper out of the printing works, leaving subscribers without information about life in the Russian Federation.

In accordance with the Tatarstan party leadership's logic, it was our newspaper that opened the list of "anticommunist, anti-Soviet" publications. That is surprising, to say the least.

Land Reform Data Discussed

PM1107072991 Moscow IZVESTIYA in Russian 3 Jul 91 Union Edition p 4

[Reprint of ROSSIYSKIYE VESTI report by V. Kozlovskiy, leading RSFSR Goskomzem [expansion unknown] specialist, under the "In Press Focus" rubric: "Peasants and Townspeople Take Land"]

[Text] The first spring of land reform in Russia has ended.

As of 1 June 1991 more than 24,000 peasant (private) farms had been set up in the RSFSR [Russian Soviet Federated Socialist Republic]—this means that roughly 100,000 people have become autonomous owners of more than 1 million hectares of land.

Land reform has also gotten ossified kolkhoz and sovkhoz ownership structures moving. Roughly 400 farms have introduced collective-shared ownership of land and the other means of production. The result being that... another 170,000-200,000 people have fallen within the scope of land reform.

More than 5.6 million urban families received land for truck gardens 1 January through 1 June 1991—roughly 415,000 hectares have been granted for these purposes. Roughly 3 million urban families have received 327,400 hectares of land for collective orchards.

Belorussia

Republic Communists Appeal for Unity

LD0907095291 Minsk Radio Minsk Network in Belorussian 1300 GMT 8 Jul 91

[Text] CPSU members who initiated the registration of the Communist Party of Belorussia have appealed to all the republic's communists. This important action took place on 4 June 1991. It confirmed that today the Communist Party of Belorussia acts within the framework of the Constitution and Soviet laws and is under their protection. It remains the most influential and popular [massovyy] political organization in the Republic—the whole history of Soviet Belorussia, the appeal says. The registration of the Communist Party of Belorussia is an important step on the road toward its further renewal, and today it is the task of every communist to restore the trust of people to make the party a real vanguard capable of helping the Republic out of the crisis.

For this high goal, communists and nonparty people should unite to preserve the social achievements of older generations and to repulse resolutely attempts to break up the USSR. The most important task is to unite the party that is under threat today.

Persistent work is being carried out to pit the Central Committee against primary party organizations. The CPSU members who initiated the registration of the Communist Party of Belorussia appeal to the communists to consolidate persistently the ranks of the Communist Party of Belorussia, [words indistinct] to develop relations between the parties and to develop international fraternity. Creative work is most important today, the appeal says, and we call on the communists to participate actively in all areas to defend the interests of working people.

Foreign Minister Attends UN Conference

LD0907090191 Minsk Radio Minsk Network in Belorussian 0300 GMT 6 Jul 91

[Text] A meeting at the foreign ministers level opened in Zheneva to discuss economic questions, within the framework of the second ordinary session of the Economic and Social Council. Belorussian Foreign Minister Petr Kravchenko spoke at the plenary session. He stressed that in Belorussia, which is making steps to transfer to a market economy, power engineering is acquiring a special meaning. The situation regarding power engineering in the Republic became especially difficult after the construction of two atomic power stations was halted. The Belorussian representative stated some opinions on the subject of creating a single power engineering space on the European continent, on developing resources, on the search for alternative energy sources, and on the establishment in Minsk of a center for preparing and further training power engineering specialists under the aegis of the UN.

On the same day, Kravchenko met UN Secretary General Perez de Cuellar. He informed his interlocutor in detail about the meeting of the USSR Council of Foreign Ministers and the Union republics, which took place in Minsk from 26 to 27 June. He stressed that the primary goal of the meeting was to reinforce cooperation of the republics in minimizing the problems resulting from the Chernobyl catastrophe. They also discussed preparations for the conference, scheduled for 20 September in New York, of donor countries supplying voluntary contributions for the UN Chernobyl program.

Council of Ministers Blocks Cabinet Decision

OW1107043991 Moscow INTERFAX in English 1250 GMT 10 Jul 91

[Transmitted via KYODO]

[Text] On Tuesday the Belorussian Council of Ministers passed a resolution blocking the introduction of the June 15 decision of the USSR Cabinet on drafting production programs and forecasting socio-economic development in 1992 in conditions of transition to a market economy.

The document signed by the Belorussian premier Kebich says that the main provisions of the USSR cabinet decision do not promote the economic independence of his republic. The decision threatens to foil the Belorussian government program for economic stabilization and social security. It contradicts Belorussian acting legislation, complicates its financial situation and increases the budget deficit. The 4th session of the Belorussian parliament expressed an extremely negative attitude to the decision.

Kravchuk Briefs Press on 5 Jul Kohl Talks

LD0907210991 Kiev Radio Kiev Network in Ukrainian 1500 GMT 9 Jul 91

[News conference by Leonid Kravchuk, president of the Ukrainian Council of Ministers, with correspondents, on German Chancellor Helmut Kohl's 5 July visit to Kiev; date not given; broadcast in progress—live or recorded]

[Excerpts] [Kravchuk]...The fact that Stanislav Ivanovich Hurenko took part in the meeting with Kohl is not in any way connected either with socialist choice or communist perspective.

We were engaged in a conversation, and Chancellor Kohl showed an intention to listen to all the forces functioning in the republic, to all the figures who represent the Ukraine today. Since the Communist Party is today the ruling party, which is no secret to anyone, and since Stanislav Ivanovich represented this party, he outlined briefly an analysis of the processes that have taken place here. It is my understanding that it was Chancellor Kohl who wished to hear him out. Chancellor Kohl would like to listen to all people, without dividing them according to some formula. It is in this regard that Western politicians rise above us, in that they are not glued to a

formal point of view but prefer listening to everyone who is able to enlighten them on the existing situation. [passage omitted]

[Akulenko, correspondent for PAMYATKY UKRAINY magazine] You have paid a great deal of attention to the importance of historical memory. Those who are protecting relics will be pleased by this. Our declaration contains a point that the Ukraine has the right to the return of all historical and cultural relics. According to Lenin's 1918 decree, the return of cultural values not only means rightful possession but also indicates recognition of statehood. In this case, the other state would take an important step by doing so. Will the Supreme Soviet raise this question?

This is a second question: Not very long ago, at a sitting of Russia's Supreme Soviet when the union treaty was under discussion, the well-known Deputy Volkogonov stated that the inviolability of the Union republic's borders is valid only for as long as they remain part of the Union. Should a republic raise the question of its withdrawal from the union, this principle becomes null and void. Further, he and other deputies reminded the soviet that the Crimea and Odessa were added to Russia by czars and, in particular, by Gen. Suvorov. Now the question: Would it not be worthwhile for the Ukraine, as a sovereign state, to put her signature under the Helsinki agreements, which maintain the principle of inviolability of borders in Europe?

[Kravchuk] While visiting your magazine, I asked you and other editors to prepare the register of all items that must be returned to the Ukraine. If such a register, well grounded and substantiated from all sides, is handed to me, I, on behalf of the Supreme Soviet and its presidium, will sign it immediately. My view is that everything of value to the Ukraine, all its spiritual riches, must be kept here. Now for the utterances by Volkogonov. I can say only that he has the right to speak his mind. [passage omitted] If any of the republics declares its withdrawal, then on the basis of the normative documents governing such an act, it will leave the Union and create its own statehood with all its own sovereign features, its own army, and the like. It will establish, first of all, the inviolability of its borders. Its exit will not stop the validity of the law. It will have the right to defend its borders. [passage omitted]

Ukraine

Attitudes Toward Union Treaty Reported

PM1007102791 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 25, 23 Jun 91 p 7

[Article by Vladimir Grinev, deputy chairman of the Ukrainian Supreme Soviet: "A Treaty for Parliaments or for Republics?"]

[Text] Reports that Belorussia and Uzbekistan have approved the Novo-Ogarevo draft Union Treaty and empowered their leaders to sign it are cause for concern rather than satisfaction. After all, "the nine" have yet to reach accord on some very fundamental clauses in this document.

The Ukrainian parliament is to begin discussion of the draft Union Treaty this week. It is not possible to say for sure at the moment how the parliamentary debate will end.

Let me remind you that, when pondering its future in the new Union, the Ukraine conducted a public opinion poll and came down firmly in favor of the formula of "Union of Sovereign States," which it will join only on the basis of a declaration of sovereignty. However, politicians are no longer the only ones beginning to realize that the term "renewed federation" is by no means a synonym of this formula, despite the fact that it is incorporated in the title of the draft treaty. It is the difference in these concepts that determines the contentious clauses on which the Ukrainian parliament will inevitably "get stuck."

These clauses are well known. The first is the clause on taxation. The draft treaty provides for a two-channel system: republic taxes and federal taxes. Like Russia, the Ukraine is insisting on a one-channel system because it believes that a union of states does not need federal taxes.

Second, the concept of "Union property" raises doubts. Essentially, it is a legal nonsense. There can be republics' property and their collective, shared property. But what on earth is Union property? Who will be its owner?

Accord has yet to be reached on the question of "joint jurisdiction of the Union and the republics." Strictly speaking, this is also a very strange concept. It cannot be ruled out that, in practice, "joint jurisdiction" will mean increased pressure from the center.

Finally, if we are talking about a Union of sovereign states, we must admit that there should not be a constitution alongside the Union Treaty. All legal aspects should be covered by the treaty. Our own historical experience shows that if a constitution exists alongside the Union Treaty, it easily negates the treaty's main clauses. It would be even more intolerable if this, the main document of the future Union, were to be taken over by the old structures of power.

I would not venture to say that the Ukrainian parliament will be unanimous in its appraisal of the draft Union Treaty. But there is no doubt that it will not gain speedy approval in its present form.

It is believed for some reason that, in the interests of stabilization, we should speed up the signing of the Union Treaty. But if it fails to take adequate account of national liberation trends and the republics' desire for state sovereignty, it is not likely to be a stabilizing factor. I still believe that the best version of the Union Treaty

would be one that provides for different levels of republic integration into the Union.

If we do not speed up the process of signing the treaty, we could eventually arrive at the version mentioned above. As far as stability is concerned, the very fact there is work on this document—if irritants such as the imposition of "dry" bureaucratic drafts could be removed—could be a stabilizing factor in itself. The Ukraine has no interest in destabilization—and Russia certainly does not. Both need to reform their executive power and seek ways to extricate themselves from crisis. The results of the presidential elections have allowed Russia to move forward in this respect. The Ukraine has yet to begin its reform of power. According to all appearances, it is going to follow the Russian course of action: First of all, it will hold nationwide presidential elections and only then—within the framework of a presidency—adopt a new constitution.

It is common knowledge that, as a result of the student hunger strikes, the Ukrainian Supreme Soviet decided not to sign the Union Treaty until it had adopted a constitution. True, this decision was made on the basis of a simple majority: In other words, it is unconstitutional and could be reversed. But would parliament do that? If the answer is no, the question of the Ukraine signing the treaty will be set aside for at least six months. Notions about the Union Treaty will inevitably change during the process of work on the constitution. Is there any point in hurrying to sign it now, if it is clear that impending political reforms are going to substantially "reshape" its contents? And who can tell how the political situation will change in the next six months in the republics that currently approve of the Novo-Ogarevo draft?

You get the impression that by hurrying the signing of the treaty along, the center is not counting on the republics and their peoples but on their parliaments, whose composition no longer reflects the correlation of political forces and trends in society. If the cry, "this is our last, decisive battle" goes up, the phenomenon of the party majority could take effect in the Ukrainian parliament. In that case, the decision not to sign the treaty before adopting a constitution would be repealed within a matter of days and the Novo-Ogarevo draft would be given the seal of approval. But what would happen then?

Leonid Kravchuk would obviously resign. Some deputies would relinquish their powers. And the republic would see a wave of political movements which could become uncontrollable.

That we will witness the "sovereignization" of the totalitarian Communist system cannot be ruled out—a system that will do its utmost to try and protect itself against influences emanating from Yeltsin and the forces behind him by adopting a tough stance of sovereignty. Russian Television programs are no longer broadcast in the Ukraine, and Ukrainian Communist Party Central Committee secretaries have no qualms about publicly discussing the subject of whether it is worth concluding a treaty "with Yeltsin's Russia." This makes you think that the Communists are perfectly prepared to take the firm line of having "their own" sovereignty. This means that we could quite well end up with a sovereign totalitarian Ukraine instead of a sovereign democratic Ukraine.

Of course, predictions are based on nothing more than probability. One would like to think that the situation would develop normally. But, as we hurl the Union Treaty into the cauldron of the various republics' political life, we must not forget that the ultimate result in each of them may not be the one we wanted.

Supreme Soviet Chairman Discusses Union Treaty

OW1007182191 Moscow INTERFAX in English 1830 GMT 9 Jul 91

[Transmitted via KYODO]

[Text] In Kiev, the head of the Ukrainian Supreme Soviet, Leonid Kravchuk, has met with journalists in view of the Independence Day marked in the Republic in July 16, describing the Ukrainian parliament's stand on the new Treaty of Union as "realistic." He said in expressing the people's will, the Supreme Soviet would have to advance such proposals that would meet the need of the future Union of Sovereign States and be consistent with the letter and spirit of the Declaration of Ukrainian Sovereignty.

Mr. Kravchuk denied the allegations that the Republic intended to depart from the Novo-Ogarevo accords or the results of the March 17 referendum. "The Ukraine just wants, and have every right, to analyse the Union Treaty paragraph by paragraph and know for sure to what extent it meets its people's interest," he said, and added that Center had exerted no pressure on the Ukraine but had "just expressed a number of suggestions."

Leonid Kravchuk welcomed the assistance which the USSR could hope to get as a result of Mikhail Gorbachev's meeting with the G7 leaders in London. At the same time, he pointed to need "to know exactly how many credits may be addressed to the Ukraine." He said all such credits should be invested in the economy—specifically, in new technologies and joint ventures.

The Ukrainian leader said the Declaration of Sovereignty adopted one year ago, had given the Ukrainians "a feeling of the masters of their land, and a hope to become the masters of the their working efforts, culture, and life as a whole."

Moldova

Communist Party Program Concept Published

PM1107132591 Moscow PRAVDA in Russian 11 Jul 91 Second Edition p 1

[Report by correspondent A. Pasechnik: "Program of Renewal"]

[Text] Kishinev—The basic provisions—a kind of developed concept for the Moldovan Communist Party program which is now being elaborated—have been published in Kishinev for discussion.

It is stressed that the aim of the Moldovan Communist Party is a socialist society in which freedom and justice and the genuine sovereignty of the Republic of Moldova will be implemented for the sake of all its citizens irrespective of nationality. The filling of this sovereignty with real content, Moldova's entry into a renewed union of sovereign states, and the conservation of the republic's territorial integrity, the document stresses, accord with the Moldovan people's fundamental interests. It also says that the Moldovan Communist Party advocates the deepening of economic, political, and cultural ties with Romania and its people.

The Moldovan Communist Party intends to build its activity exclusively within a constitutional framework, steering toward becoming a party of the parliamentary type. Here it is open to effective cooperation with parties and public movements of socialist and humanist orientation which advocate the democratic nature of the reforms which are being carried out.

In socioeconomic policy the main priorities are proclaimed to be the recovery of the republic's economy and the improvement of people's well being and the standard of their social protection. Unconditionally supporting the idea of the transition to the market, the Moldovan Communist Party will at the same time insist on the need to create a socially oriented market economy with an active role for the state in regulating national economic proportions, implementing social programs, and protecting the environment.

The Moldovan Communist Party advocates that the voluntary union of communist parties in the CPSU correspond to the level of the relations of the state organs of power of the republics and the center in the renewed Union.

A broad, committed discussion of this very important program document is developing in the republic's party organizations.

Southern Areas Appeal in Favor of Union Treaty

LD1007101491 Moscow TASS International Service in Russian 1205 GMT 9 Jul 91

[By TASS correspondent Fedor Angeli]

[Text] Kishnev, 9 Jul (TASS)—The people of several southern rayons of Moldova have appealed to the president of the USSR and the country's Supreme Soviet to examine a proposal on the possibility of representatives of Gagauz, Bulgarians, Russians, Ukrainians, and Moldovians living in compact groups in the south of Moldova signing the Union Treaty.

This appeal is being signed by thousands and thousands of citizens. The situation in the country, says the document, means that there is no moral right to continue arguments and discussions any further. Delaying the signing of the Union Treaty is speeding up the collapse of the unified state and is leading society toward civil and national conflicts and toward unpredictable results, especially regarding peoples which do not have national-territorial formations.

The population of southern rayons of Moldova has already expressed its attitude to the Union treaty in the referendum of 17 March 1991 when, despite the authorities' ban on it, an absolute majority of people in the south of the republic came out in favor of the USSR.

Parliament Discusses Alternative Service

LD0907221991 Moscow Central Television First Program Network in Russian 2047 GMT 9 Jul 91

[From the "Television News Service" program]

[Text] [Correspondent M. Sokirke, identified by caption] On 26 May last year, the legislature of the Moldovan Republic ratified the Declaration on Human Rights adopted on 10 December 1948. And proceeding from this, a draft law on alternative service was submitted today for discussion in the legislature. What is this new draft law about?

[Deputy G.Kyrlan, identified by caption] A draft law on alternative service gives the right to the citizens of the Moldovan Republic to refuse to carry out military service in the armed forces, and at the same time, it gives them the right to undertake alternative service in the Moldovan Republic but, if there are intergovernmental or inter-republican agreements, then service proceeds from the Republic's interests and in accordance with the wishes of the citizens of the Moldovan Republic at an enterprise or establishment of other union republics. According to this draft law, alternative service is normally carried out in the industries of the Republic's economy.

Georgia

Gamsakhurdia Discusses Future Role as President

AU1007155191 Tbilisi SVOBODNAYA GRUZIYA in Russian 25 Jun 91 p 2

[Interview with Georgian President Zviad Gamsakhurdia by writer Gennadiy Musayelyan—"The Final Trial;" date and place not given; bold passages are Musayelyan's own commentary]

[Text] **Speaking with one of his comrades-in-arms, Republic of Georgia President Zviad Gamsakhurdia said, "You have to be like a drawn sword, a sharp blade, and not a frightened man." I think those words contain the political credo of the president, who is himself like an awesome weapon which evokes terror in his enemies and hope among his kindred spirits. At the same time I immediately qualify that by saying that a wise statesman should take the sword out of its sheath only when it is no longer possible to solve a dispute by peaceful, diplomatic means.**

Gamsakhurdia's opponents in the center, in Georgia itself, and among the Georgian Diaspora accuse the president of "putting independence above freedom," of being intolerant, cruel and having a one-track mind. Let us give Gamsakhurdia himself the opportunity to reply to these views.

[Musayelyan] Mr. President, what election results were you expecting?

[Gamsakhurdia] My victory in the elections did not come as a surprise. A sociological survey was conducted during the election campaign, and the findings of that survey coincided with the final election results. Frankly, in the past I had never particularly trusted these sorts of analyses and polls, but this one I did.

[Musayelyan] What do you think, Mr. President, of the statements in the Soviet and Western press in which you are called practically a dictator?

[Gamsakhurdia] The Kremlin's influence on the Soviet and foreign press today is still very strong, particularly the influence of the TASS NEWS AGENCY. The West frequently repeats the false information put out by that agency without checking it at all. There has not been a single dictator in the entire history of the world who has held nationwide presidential elections on his own initiative. I expect you would agree?

[Musayelyan] There are rumors going around that in Georgia there supposedly is a negative attitude toward the national minorities. However, the official election results refute this. I know, for example, that the overwhelming majority of Armenians voted for you.

[Gamsakhurdia] The misinformers, incidentally, are spreading rumors that I am the deadly enemy of the Armenians, that I intend to carry out genocide against them in Georgia, and that the Armenians are the most oppressed nation in our republic. As you have seen, it was those "most oppressed" Armenians whose "deadly enemy" I allegedly am, who voted for me. The same thing goes not only for the Armenians, but also the Russians, Jews, Kurds, Azerbaijanis, and the majority of Ossetians and Abkhazians. In a nutshell, 99 percent of the Georgian population and 65 percent of the non-Georgian population support me. So talk of a split among the Georgian people is simply a lie. As for the forces opposed to Georgian independence, they are few in number, and even among the Abkhaz people and the Ossetians they are in a minority. Finally, on the bloodiest Ossetian tragedy: This came about through political reasons and is inspired by Moscow and the Ossetian communists and extremists, who want to retain the communist regime.

[Musayelyan] Mr. President, I have heard a lot from my fellow Georgian writers about your courageous life and the trials and tribulations you have undergone. So, congratulating you on your victory, we would like to tell our readers about the long path you traveled before becoming president.

[Gamsakhurdia] It all began back in my childhood, when I thought about the enslaved state of our homeland and its liberation. My chief goal was therefore to fight for the independence of Georgia. I was born on 31 March 1939 into the family of the writer Konstantine Gamsakhurdia, and he was the one who actually cultivated that feeling in me. My life then became wholly devoted to struggle and to organizing a national resistance movement. I was repressed four times and founded an underground organization in Georgia. After it was broken up, I went to other methods of struggle: In 1976 I founded the first legal opposition organization in the republic—the Helsinki Group of Georgia (now the Helsinki Union), which fought for the conservation of our Georgian linguistic heritage, church and culture; defended the rights of prisoners, the hounded and persecuted; had an illegal publishing house; and published the illegal magazines "Zolotoye runo" and "Sakartvelos moambe." I cooperated closely with the entire democratic movement in the Soviet Union and with the country's leading dissidents. After the liberalization, my struggle took on a wider scale as I organized demonstrations and meetings. Finally, we managed to totally mobilize the Georgian people and achieved victory in the 28 October 1990 elections. As a result, the state system was changed and the communist regime ceased to exist. Now we have held the first nationwide presidential elections....

[Musayelyan] Which politician of the past or present is close to your heart?

[Gamsakhurdia] Most of all, President Ronald Reagan, of whom I am a great admirer and shall remain so until the end of my days. I have great respect for President de Gaulle, whom I consider to be the ideal of a modern politician.

[Musayelyan] I know that you were supposed to have a meeting with Mikhail Gorbachev, but lately this has been shrouded in mystery....

[Gamsakhurdia] The whole point was where the meeting was supposed to take place. So far we have not agreed. Gorbachev suggested Moscow, in Novo-Ogarevo, but I abstain from that. I do not intend to attend the Federation Council since I see no need to take part in discussion of the Union Treaty. For our part, we invite the USSR president to Georgia so that a discussion on the future of our relations can be held here....

[Musayelyan] It is now being strongly suggested that Georgia cannot become economically independent. As president, what is your opinion of this?

[Gamsakhurdia] Georgia's economic structure today is the result of development of the strategy which was foisted on us by the Soviet system. The republic actually had its right of sovereign economic choice taken away from it. Cast into a system of totally centralized economic management, Georgia has been isolated from international economic processes. In an alien economic system, torn from the land and means of production as a result of economic relations which are not traditional for the local population, our economy is in a grave state.

The revival will be based on an economy which accepts various forms of ownership, functions according to the economic laws of the civilized world, and is based on the traditional foundations of the Georgian people.

The first bills to be passed will be on privatization, entrepreneurial activity, ownership, transfer of the land into private hands, land tenure and land usage, the peasant economy, employment, the taxation system, joint-stock companies, economic partnerships, investments, joint enterprises, an anti-monopoly law, social guarantees, and state and private insurance.

In the future, private ownership should become the basis of our economy. Respect for private ownership will enable people to better understand and fulfill their social duties. Private ownership is not only the privilege of the owner but his duty, his obligation to others. The laws that I have mentioned should provide freedom of entrepreneurial activity, protection of consumer interests, the opportunity to satisfy consumer demands, the expansion of competition, and they should rule out the concentration of economic power in the hands of any given enterprise or group of people. In actual fact, the process of demonopolization and privatization of the economy has already started.

The creation of state legal and financial economic conditions will promote the development of small business in an all-around way.

Georgia should also become a highly-developed agroindustrial country, which requires radical improvement in agricultural production. In the first instance this will be aimed at fully satisfying the requirements of the local population and of a developed resort and tourist system. The basic core of this will be the peasant economy.

If Georgia becomes a free country and is able to have developed economic links, it will not only provide an economically normal existence for itself, but will have performed an economic miracle.

[Musayelyan] So you support the free market totally?

[Gamsakhurdia] That is our first goal. However, we can see that until we separate from the Soviet Union, nothing will come of it. They are putting all sorts of obstacles in our way and taking countermeasures. The diktat continues, as well as the foisting of economic measures on us. Things are very difficult right now.

Yes, Georgia really is at a crucial turning-point. The situation is fraught with very high nervous tension, where the simple judgement is made that whoever is not a friend must be an enemy. In addition, power and nationwide support can sometimes play a negative as well as positive role. I think that Zviad Gamsakhurdia, on whom life itself imposed the need to choose a strategy for holding meetings and facing the crowd, now that he has become president, will make the necessary modifications to his course. He has gone through fire and water and come out with flying colors. Now the final and most complex trial awaits him—trial by power. The words of Moscow Mayor G. Popov come immediately to mind: "I respect Zviad Konstantinovich very much, but will the eulogies now surrounding his name in the republic not do him damage...."

The interview was coming rapidly to an end, so the final questions and answers went at lightning pace:

[Musayelyan] Could you say a few words about your family?

[Gamsakhurdia] My eldest son is 30 and an orientalist by education. My younger sons are 14 and 12. They go to school and are inclined toward the humanities—literature and philology. My wife is a pediatrician. She devoted a lot of effort to participating in the democratic movement, and was with me in exile....

[Musayelyan] What is your main dream as a man, and as president?

[Gamsakhurdia] To finish what I started. In other words, to create a strong, independent Georgian state recognized by the world community, establish diplomatic relations with all countries, and become a member of the UN.

[Musayelyan] And you have already begun to take the first steps in that direction?

[Gamsakhurdia] Of course, but then Moscow is taking counteraction....

On 16 May, his father's birthday and not long before the elections which were so decisive in his life, Zviad Gamsakhurdia published in VECHERNIY TBILISI a long, full-page article entitled "Konstantine Gamsakhurdia and Christianity." In it, the son—president, writer, literary critic, and translator, gave a vivid analysis of his father's work and wrote: "Konstantine Gamsakhurdia's heroes sacrifice themselves, first and foremost, to the service of social ideals. They are devoid of any concern for their personal happiness or ego. The great master Arsakidze, David the Builder, Georgiy Chkondideli, Stefanoz Tsilkneli, Nianna Bakuriani—are they not all sacrifices on the altar of the fatherland? Do they not prove by their loyalty to social ideals their loyalty to the most important commandments of Christ?"

I think that Zviad Gamsakhurdia in fact sees himself as the heir to the deeds of those Georgian heroes. His favorite work, incidentally, is "The Knight in Tiger's Skin" by the great Shota Rustaveli, which the president considers to be the reference book of the Georgian nationalist movement.

Interview conducted by Gennadiy Musayelyan. (The interview will be published in full in the Magazine "MM.) (ROSSIYA No. 24, 22-28 June).

Views Union, Republic Issues

PM1107085791 Moscow ROSSIYSKAYA GAZETA in Russian 5 Jul 91 p 1

[Report by Yevgeniy Skukin: "Zviad Gamsakhurdia: 'Center Unnecessary as Mechanism for Cooperation Between Republics'"]

[Text]Unlike foreign journalists, Moscow's stunned journalists understood nothing of the first half-hour of Zviad Gamsakhurdia's press conference. There was no interpreter and the Georgian president was conducting the conversation... in English.

Z. Gamsakhurdia voiced a high opinion of Kazakh President N. Nazarbayev's initiative for a businesslike meeting to be held involving representatives of all republics irrespective of their desire to sign the Union Treaty: Our representative will attend the meeting without fail. But we do not need the center as a mechanism for cooperation.

Z. Gamsakhurdia described V. Pavlov's government as reactionary and unconstructive. And he assessed its order of 30 June 1991, which suggests releasing food and industrial goods from the state reserve in order to supply USSR Defense Ministry, MVD [Internal Affairs Ministry], and KGB troop subunits, as an act directly aimed against stabilizing the situation in the republic. Confiscating food on the territory of a republic that suffered an earthquake, in Z. Gamsakhurdia's opinion, could provoke an armed conflict similar to the Baltic.

Nonetheless Z. Gamsakhurdia responded in the negative to the question of the possibility of the center's taking military intervention in the republic's affairs: "That can only happen in the event of a government coup and representatives of the 'Soyuz' group coming to power. Incidentally, it was Alksnis, Blokhin, and company who recently demanded that the interparliamentary commission's rightful conclusion that so-called South Ossetia is an integral part of Georgia be abrogated.".

It seems that a considerable amount of the Georgian leaders' optimism is due to Russia's stance to some extent. In response to a question from ROSSIYSKAYA GAZETA's correspondent, Z. Gamsakhurdia said that the republic's desire to establish direct links with Russia has been immutable since the protocol of intent was signed by President B. Yeltsin. He links the cause of the delay in cooperation with the Russian presidential election campaign. Z. Gamsakhurdia spoke of Georgia's readiness to cooperate with any Union and foreign state.

The Georgian president refrained from assessing the process of democratic forces' unification and the personality of its organizer, E. Shevardnadze:

"I don't know what their attitude to the CPSU and the sovereign republics will be. There is plenty of speculation now over democracy so as to camouflage membership of the CPSU. We too had the 'Union of Accord and Rebirth,' formed by party personnel. On the face of it, they're all fine."

The following question was put to Z. Gamsakhurdia:

"You suggested your mediation to settle the conflict between Armenia and Azerbaijan. With what results?"

[Gamsakhurdia] Unfortunately, only Azerbaijan responded to this proposal. [Gamsakhurdia ends]

In Z. Gamsakhurdia's opinion, Georgia may secure total independence in about two years.

Abkhaz, Georgian Leaders To Maintain Contacts

AU1007180491 Tbilisi SVOBODNAYA GRUZIYA in Russian 29 Jun 91 p 3

[Article by Tengiz Pachkoriya: "The Visit of the Republic of Georgia Supreme Council Delegation to Abkhazia"]

[Text] As the readers of SVOBODNAYA GRUZIYA know, an official delegation from the Republic of Georgia Supreme Council headed by Nemo Burchuladze, deputy chairman of the Republic of Georgia Supreme Council, arrived in Sukhumi on 26 June. That same day, members of the delegation held a lengthy meeting with the leaders of the Abkhazian Autonomous Soviet Socialist Republic [ASSR]. This meeting was continued on 27 June. Following this meeting Nemo Burchuladze and Vladislav Ardzinba signed the following document:

"Today, 27 June, representatives of the Republic of Georgia and the Abkhaz ASSR continued their meetings.

Those participating in the meetings were: on the one side—Nemo Burchuladze, deputy chairman of the Republic of Georgia Supreme Council; Republic of Georgia Supreme Council deputies Levan Aleksidze, Zviad Bokuchava, Bidzina Giorgobiani; Avtandil Demetrashvili, chair at Tbilisi State University. On the other side—Vladislav Ardzinba, chairman of the Supreme Council of Abkhazia; Vakhtang Kolbaya, first deputy chairman of the Supreme Council of Abkhazia; Vladimir Mikanba, first deputy chairman of the Council of Ministers of Abkhazia; Enver Kapba, deputy chairman of the Council of Ministers of Abkhazia; Aleksandr Arshba, deputy minister of internal affairs; Yuriy Kvitsiniya, head of the Secretariat of the Supreme Council of Abkhazia; Andri Dzhergeniya, member of the Supreme Court of Abkhazia. During the course of the discussion, [the participants] broached questions of state mutual relations between Georgia and Abkhazia, questions of a legislative nature connected with the elections to the Supreme Council of the Abkhaz ASSR, and also other aspects of state construction that were of mutual interest. The participants of the meeting emphasized the interest of the sides to continue such contacts."

On the morning of 28 June, the official Republic of Georgia Supreme Council delegation flew back to Tbilisi. As it has become known, fresh meetings between representatives of the Republic of Georgia and top-level officials of the Abkhaz ASSR will take place in the near future.

Abkhaz Elections Set for 22 September

AU1107080391 Tbilisi Radio Tbilisi Network in Russian 1430 GMT 10 Jul 91

[Text] The 11th session of the Supreme Council of the Abkhazian Autonomous Republic was held yesterday in Sukhumi. In the first half of the session, a whole series of draft laws were reviewed on which representatives from both sides had been actively and intensively working during these last few days. The deputies expeditiously reviewed and approved laws on a state tax inspectorate, [words indistinct] employment of the population, and changes and amendments to the constitution of the autonomous republic. They also approved decrees of the Presidium of the Supreme Council of Abkhazia. The session was addressed by Akaki Asatiani, chairman of the Supreme Council of the Republic of Georgia who read a message from Zviad Gamsakhurdia, president of the Republic of Georgia, to the deputies of the Supreme Council of the Abkhaz Autonomous Republic. (?He then answered numerous questions) from the deputies present.

The important draft law on the election of deputies to the Supreme Council of the Abkhazian Autonomous Republic was discussed at the session. Several drafts were presented including an alternative draft which envisages the creation of a two-chamber parliament in Abkhazia. However, the alternative draft law did not receive the support of the deputies. The draft law on elections to the Supreme Council of the Abkhazian Autonomous Republic was adopted by a majority of votes, the final text of which meets the interests of both the Abkhazian and Georgian population; it was elaborated by experts from Tbilisi and Abkhazia together. This draft was presented to the Presidium of the Supreme Council of the Abkhaz Autonomous Republic. It was announced at the session that elections in the Abkhazian Autonomous Republic will take place on 22 September this year. After the session had ended, Akaki Asatiani, chairman of the Republic of Georgia Supreme Council, and Vladislav Ardzinba, chairman of the Abkhazian Supreme Council, organized a press conference for journalists and answered numerous questions.

Armenia

Supreme Soviet Discusses Regional Issues

NC1107081791 Yerevan Radio Yerevan International Service in Armenian 1630 GMT 10 Jul 91

[Text] The alternate meeting of the second session of the Supreme Soviet of the Republic of Armenia was held yesterday. During the morning meeting, Supreme Soviet Chairman Levon Ter-Petrosyan briefed the participants on the situation in Shaumyanovskiy. The Supreme Soviet then discussed a draft law on the environment.

During the evening meeting, a draft statement prepared by a number of deputies demanding the recognition of the Artsakh [Nagorno-Karabakh Autonomous Oblast] people's right to struggle for national salvation was also discussed. The Supreme Soviet decided to assign a series of commissions to study the issue following which it will be studied during a plenary session.

It was decided to convene the alternate session of the Supreme Soviet next Monday 15 July.

The Supreme Soviet presidium was assigned the duty of sending a cable to the USSR Supreme Soviet in answer to the statement by Soviet Internal Affairs Minister Boris Pugo at the USSR Supreme Soviet. Pugo said that no peaceful residents live in the three Armenian villages in Azerbaijan's Shaumyanovskiy, only combatants live there.

Ignatenko Says Decree on NKAO Issued 'Too Soon'

LD1007212891 Moscow Russian Television Network in Russian 2000 GMT 10 Jul 91

[From the "Vesti" newscast]

[Text] The situation in the Caucasus remains extremely tense. On 4 July a USSR presidential decree lifted the state of emergency in two Azerbaijani rayons adjoining the Nagorno-Karabakh Autonomous Oblast [NKAO], Geranboyskiy and Dzhebrailskiy Rayons. Since then, despite the official assurances by Azerbaijani President Mutalibov that all measures to insure the safety of people would be taken, fresh casualties have followed. So

maybe the presidential decree was not thought through? We asked this question today at a news conference held by Vitaliy Ignatenko, presidential aide on public relations.

[Begin Ignatenko recording] The unpredictability in this area today is very, very serious. It had appeared that the circumstances had matured so that it was possible to relax this oppressive situation of the state of emergency in this region. It turns out that this was done too soon. [end recording]

Azerbaijan

Mutalibov Interviewed on Union Treaty

PM1107081891 Moscow PRAVDA in Russian 8 Jul 91 Second Edition p 2

[Interview with Azerbaijan Republic President A. Mutalibov by PRAVDA correspondent Z. Kadymbekov in Baku—date of interview not stated; first paragraph is PRAVDA introduction; under the general heading: "Union Treaty: Republics' Position. The Country's Strength Lies in the Unity of Peoples"]

[Text] At the moment there is perhaps not a person in our country who is not worried about its present and future. The draft Union Treaty answers many questions concerning this. This has been the topic of discussion in interviews by PRAVDA correspondents with republic leaders (3 and 6 July this year). We are continuing publication of these materials today.

[Mutalibov] The fact that agreement was reached at Novo-Ogarevo on the text of the Union Treaty, which has now been sent to the republics' Supreme Soviets for their consideration, is itself highly significant. It bears witness to the success of the discussion's participants in overcoming the differences of opinion which existed, and in reaching a single opinion on fundamental questions. For me personally, the most important thing is that we were able to include in the document which was drawn up those points of view which, on the one hand, allow the republics to realize their long-term national interests, and, on the other hand, will become the basis for mutually beneficial cooperation between them.

In other words, steps have been taken to fundamentally reform "center-republic" relations, to make them fit in with "republic-republic" relations, and to invest them with a quality that will give all the federation's components an interest in jointly resolving political as much as economic problems.

You can say that the draft Union treaty, which the Azerbaijan parliament discussed at its session, reflects in sufficient measure the republics' aspiration to autonomy, to the independent exercise of political power, and the right to dispose of their natural resources themselves and deal with a certain type of foreign trade issues independently.

It is very important that the document has enunciated in clear terms the formula which we regard as a priority: The Union exists for the republics, and not the other way round. At the same time, the conclusion of the Union Treaty, if you consider its effect in the short term, pursues the aim of stopping the manifestations of the crisis, the falling apart and destruction of established economic ties, which has an extremely pernicious effect on the political and economic climate in the republics and adversely affects the mood and well-being of each Soviet person, wherever he lives and works.

I also want to draw your attention to the following situation: In submitting our proposals during the process of working on the draft treaty, we strove to avoid narrow parochial approaches. It was important to be able to look at the new association of independent states both from above and from the other republics' points of view, to take full account of their interests. Such an appreciation of the question allows you to overcome the differences of opinion more effectively and to proceed more quickly to the necessary mutual understanding. We achieved this by putting forward our proposals about the new nature of the republics as sovereign states, which obtain the right to independently resolve issues relating to their development and their national state system, and to the recognition of the stability of borders existing between republics at the time the treaty is signed.

Is the theme of this most serious and crucial debate which will continue to have an effect on the fates of hundreds of peoples who inhabit this country, exhausted? In my view, there is still room to continue the discussion.

For example, it should touch on the issues of the Union's components, its founders, the mutual relations of the present union republics, their possible desire to leave the Union, and several others.

In general the topic of the republics' autonomy and the creation of a renewed federation should be dominant in the Union Treaty along with its other very important articles. And you should not regard the aspiration for such a type of independence as something which has been newly thought up. It is even stipulated by the 1922 Treaty on the Formation of the USSR. However, the administrative edict system subsequently assigned this article the reduced status of a declaration. Our task today is to breathe some life into it, to give it new substance, for the republics' futures lie in implementing mutually advantageous, bilateral and multilateral treaties between them and boosting their foreign economic ties. This course for development and progress should find sympathy both in the center, and in the republics.

By voting in the All-Union Referendum to preserve the Union as a renewed federation, the Azerbaijani people made their choice. When the Azerbaijani parliament approved the draft Union Treaty at its session, it provided a legal basis for this choice, which the Azerbaijan Republic's plenipotentiary delegation will consolidate by signing this document which is most important for the whole country's fate.

Kazakhstan

Nazarbayev Interviewed on Problems

PM1007131391 Moscow IZVESTIYA in Russian 2 Jul 91 Union Edition p 3

[Interview with Nursultan Nazarbayev, president of Kazakhstan, by special correspondents V. Ardayev and A. Plutnik; date, place not given: "Nursultan Nazarbayev: I Recognize Only a Moral Policy"]

[Text] [Correspondent] Probably not all of our readers heard what you said on the "Topical Interview" program. Therefore we would like you to name once again the problems whose solution, in your view, is more urgent today than a discussion of any political disagreements.

[Nazarbayev] First, the immediate ending of bloodshed in any part of the country where it is occurring. Second, concern for our daily bread and for what we will be eating tomorrow, this fall. There is probably no need to demonstrate that both problems are of truly vital importance today. It is all the more striking that these questions are not considered urgent. We have already, as it were, grown used and accustomed to the fact that people die almost daily in interethnic and other armed conflicts. As if nothing were wrong, we continue to tackle other matters—important and not very important, major and minor. But this is immoral! Where is our elementary humanity? Above all, let us together halt the bloodshed, you guys! And decide how we will live this year. With due regard for the actual circumstances in which we have already ended up or will end up tomorrow. Look: This is a very difficult agricultural year. Things are difficult for us, and everything is scorching up. Other people are being flooded. The whole of West Siberia is in a no better condition. And yet the bulk of the food wheat is here! Things are difficult with regard to bread and no easier with the bread of industry—coal. Some 30 blast furnaces were or are standing idle, and 5 million tonnes of rolled metal have not been produced and will not be made up before the end of the year. Some 14 million tonnes of coal were lost in the strike, and delivery shortfalls have now increased to 20 million tonnes. How will we heat the country in winter? This is what we must talk about. How to feed ourselves, how enterprises are to work and get through the winter. I propose: Reject ambition—there is enough already. Let us think not about the "bright future" but about today. Otherwise we will court disaster.

[Correspondent] Probably you are so concerned about the moral aspects of political and economic problems because Kazakhstan has felt in its own destiny, maybe more than anyone, all the tragic consequences of the immoral policy of past years?

[Nazarbayev] Yes, we have felt this in full measure and are continuing to feel it to this day. We are constantly being reminded in one way or another that we cannot feed ourselves, as it were, and so we receive subsidies from the central budget. But we do not receive subsidies because we work badly or lack something. It is only because Kazakhstan is a republic producing raw materials, ore, metal, cotton, untreated wheat, untreated skins, meat, and milk. We transport all this in raw form to somewhere for processing, while we get distorted wholesale prices.

No, we do not live off anyone, including Russia. If someone disagrees that there must be a unified tax in a federative state, then let us reach agreement: You go your way, and we go ours: We will increase the price of Kustanay ore for the Magnitogorsk Metallurgical Combine by 70 percent. Or we will increase the prices of the 42 million tonnes of Ekibastuz coal supplied to Russian power stations. Let us reach agreement: If a particular republic does not pay the federative tax, let it pay us for our output at real prices. All that we obtain from Russia we can buy in better form and larger quantities on the world market, supplying it with raw materials. Judge for yourselves—I will cite just a few examples: After meeting its own needs, Kazakhstan exports from the republic during the year 100 million tonnes of coal, approximately 10 million tonnes of oil, more than 10 million tonnes of grain, 300,000 tonnes of meat, 80 percent of the nonferrous metals produced, 90 percent of the rolled ferrous metals, etc. For, in the world, all this is called the state's export potential, which could bring in considerable amounts of currency. The benefit is tremendous. But then there is no state! And we behave decently—we do not do this. But if those who behave decently lose out as a result, an abnormal state of affairs is in evidence.

[Correspondent] There has long been talk that there are some donor republics in the country, at whose expense the outlying national districts grow rich and make money. In your opinion, have there ever existed in our state any exclusive peoples and territories which have benefited from the fact that the state has robbed Russia or the Ukraine, let us say?

[Nazarbayev] I am convinced that no one has been any the better for it. All have been worse. The policy of the center in respect of Kazakhstan has been a most typical echo of a most real colonial policy. No one thought about people. We criticize other countries for creating reservations... But how are we ourselves any better, if we have spent decades tormenting people and nature, disregarding the fact that this land is someone's motherland?

The vast space has saved the people of Kazakhstan. If it had not been for this.... What is the cost of Semipalatinsk nuclear test site alone! Explosions in the atmosphere since 1949. The first hydrogen bomb was exploded in the atmosphere in front of people's eyes. In my opinion, there have been 260 such "open" explosions and 300-360 "closed" ones, under the ground.

So much for the attitude to the "outlying national districts." Those who suffered primarily from the "nuclear winter" had no idea what was happening.... The supreme immorality of the power was cloaked in secrecy.

Few people know what happened here during collectivization in 1929—up to 40 percent of the Kazakhs died, and half a million emigrated abroad.

I started speaking of the test site. We know of dozens of others on the territory of Kazakhstan in addition to the Semipalatinsk one. We know today that small nuclear charges were also detonated for national economic purposes—there were more than 20 such explosions: in West Kazakhstan—in Guryev, Uralsk, Mangyshlak, and Aktyubinsk Oblasts.... They were looking for oil—there are such explosive methods. They also carried out explosions to create underground capacities for gas. No one outside a narrow circle of people knew of this. You speak of morality.... Those who held leading posts in the republic for many years before me—persons known to you—they knew that explosions were being conducted in the atmosphere. And that the inhabitants, suspecting nothing, were breathing that air. How was it possible to keep silent, concur, and do nothing, when their own people were dying!

[Correspondent] By all accounts, the leaders of the CPSU and the USSR had a compact with the republic leadership, which was possible only under conditions of the fullest monopolization of power and in the total absence of glasnost. State interests were said to be above all territorial interests, particularly the interests of the "little man," who, of course, "takes a parochial view" of everything and is incapable of thinking "on a global scale." History probably has not known such examples of flagrant political immorality, disregard for people's life and health, and disdain, if you like, for one's own people.

[Nazarbayev] A corporative morality undoubtedly existed. This was a profoundly mistaken policy. An immoral policy cannot be correct. Look: The Aral Sea was dying before the eyes of the leaders of Kazakhstan and Central Asia. Scientists were making forecasts: How much the sea level would drop in which year, and what would happen then—they predicted everything. So could not at least something have been done to counter it? Another problem associated with the Aral one is the cotton problem, the poisoning of fields and people. I have now given the government a special instruction to bring everything to light and to declassify many secrets associated, for example, with the activities of the "Baykonur" cosmodrome and many other test sites.

[Correspondent] Are you, the president of a sovereign republic, really not fully informed even today about what the military-industrial complex is doing on your territory?

[Nazarbayev] Imagine. Some 10 million hectares of Kazakh land are occupied by test sites today. We are now inspecting every square meter and laying down a condition for those who operate them: Think not only about the country's security but also about the security of the republic and its population.

See how people live whose land has been allocated to defense needs. This is a ghetto for 70 percent of the indigenous population! National traditions are dying. It is getting so that our writers have no one to write for: More than half of the Kazakhs do not know their native tongue. Children do not know it. A grandson cannot converse with his grandfather. A grandmother is not able to ask her granddaughter for water in the Kazakh language. If the native language is not revived now, the same fate awaits it as has befallen the languages of the Nentsi, Chukchi, Yakuts.... We are now slowly beginning this revival, in the schools. We have explained to people that we need the state language not in order for it to prevail over other languages. But in order for it not to be forgotten altogether. Where a majority is of the indigenous population and there is synchronous translation, we endeavor to conduct office work in the Kazakh language.... We also need Russian, as well as the state language, and so we continue to study both Russian language and Russian literature in all schools, for we realize that the people need this—a rich language, a UN language, a language of interethnic communication. Why must we deprive our children of this?

[Correspondent] Open space has come to Kazakhstan's aid but has also contributed to the fact that from time to time the republic has encountered phenomena not known to many other national formations. A system of Stalinist camps was created right here, as well as in Siberia. "Guilty" peoples were exiled right here during the years of Stalinist repression, and huge masses of people were sent precisely to Kazakhstan in the early fifties—to open up the virgin and long-fallow lands. Such a "resettlement of peoples" probably affected the climate of morale and morality in the republic's life, did it not?

[Nazarbayev] I worked for 20 years in Karaganda. Wherever you went—camps. The Karaganda camps system—KarLag. Tselinograd (formerly Akmolinsk) —the Akmolinsk Camp for Wives of Traitors to the Motherland (ALZhIR). The steppe camps—StepLag. A solid camps zone.

After the war they began moving "unwelcome peoples" to here from the Caucasus, and they sent 2 million Ingush, Chechens, Turks, and Crimean Tatars—degraded and insulted, far from home, in a strange climate.... They began upturning the virgin lands—again 2 million people came. Very diverse people. Both enthusiasts and convicts released on parole. In short, not the best section of society. They frequently behaved like temporary workers. There was a sharp leap in crime. They corrupted the local young people.... A foreign land does not become a motherland for everyone.... I myself was involved in constructing Kazakhstan's Magnitka. I was sent as a member of the All-Union Lenin Communist Youth League Construction Project. Some 15,000 people arrived. And I worked with such people—you know, with tattoos.... Not the best section of society either. This is the kind of "selection" that took place.

All policy was conducted according to the "divide and rule" principle. Including cadre policy. Curators sat in the CPSU Central Committee, calculating which leader

of which clan and zhuz [traditional Kazakh tribal territory] to choose in order, where necessary, to embroil them more easily. When people fight here, "in the provinces," they can make their own "policy" out of this fight—put into any post those whom they need. And republic leaders have well mastered the skill of intrigues too. How many talented people's destinies they have ruined! I have lived through all this.

This is what I would like to point out. Today many of these leaders are out of work—they have retired on pension, etc. However, to judge by their statements, they still believe that they did a great deal for the republic's development and that during "their time" there was no stagnation in Kazakhstan, in particular, and there was nothing but progress and almost prosperity. Communism was just a stone's throw away. What, then, about the dried-up Aral? And the nuclear explosions in the atmosphere above people's heads? And the Kazakh language, which has been brought to the verge of extinction? And the 3 million people of Kazakhstan now living below the poverty line? And a multitude of other very serious problems which certainly have not arisen just today?

It seems to me that it all boils down to the fact that these leaders themselves did not properly know or imagine a different life and did not even assume that it is possible to live differently—more widely, richly, interestingly. Themselves being an integral part of the administrative-edict system, they remained in the fetters and harness of the official ideology absorbed by them. Plus isolation from life, from real problems.... This has always been our misfortune: The leaders themselves were no richer than their people, they were poorer—naturally, on the spiritual, philosophical plane.

[Correspondent] The fundamentally new aspects of your policy in the sphere of "cadre selection" are noteworthy. If necessary, you invite people from Moscow and from the United States....

[Nazarbayev] If we want to solve our problems to modern standards, then cadres too must correspond to world standards.... We have now set up the president's "Cadres and Perestroyka" fund. Enterprises have already transferred approximately 2 million rubles [R] and are transferring currency. We are concluding contracts to train young people in universities abroad. We are opening courses for 100 people in the former Higher Party School, now the Institute of Political Science—they will be instructed by foreign professors. And by our specialists—for example, G. Yavlinskiy and other academics will come and give lectures. In the oblasts we will create a stratum of guys who know the market economy. Business people and young entrepreneurs—they in turn will instruct people. And those who have been trained will go to the rayons, to remote places.... I have approved this scheme. I consider cadre training a most important issue. It is a pity we have lost time—we lived for too long looking back to the center.

The Supreme Soviet supports me. Its chairman—Ye. Asanbayev—is a very intelligent person. At first he was getting used to it, and now he is a great help. An economist, a scientist. U. Karamanov, chairman of the Cabinet of Ministers, is a production worker to the marrow. He is indispensable in a current affairs meeting. D. Sembayev, my deputy on the Higher Economic Council—a modern economist—was deputy chairman of the Gosplan [State Planning Committee] all his life. The former leadership of the Central Committee dismissed him—first from the Central Committee, then from the Council of Ministers. They drove A. Asanbayev from the post of head of a Central Committee department because he found shocking things in a store where a female retainer of the leadership worked. And how they persecuted me....

It has already been written many times that my economic adviser is Mr. Chan Yan Beng [name as transliterated], a U.S. professor. A far from poor man, he agreed to cooperate with us only because he very much wants to help us. He knows everyone in the economic world. Now other well-known market economists will also come from abroad to lend him a hand. Grigoriy Alekseyevich Yavlinskiy is helping us. Some 10 young guys have been selected for our Higher Economic Council. No salaries have been set for them, just the wages fund. They can invite anyone they like from Moscow for good pay, "for an idea." This is a brain trust.

Today I am sincerely concerned about one thing: how to create a normal life for people. It is said that privatization is capitalism. I will cite figures: Fixed capital in Kazakhstan, excluding land, is worth R170 billion. We have calculated that the republic's population has an annual income of R34 billion. Of this, R25 billion is wages. The people of Kazakhstan have R14 billion in their savings bank books. There is R6 billion around "in people's pockets." This is very little. And just R8 billion with which the population of a vast republic can participate in privatization. I have calculated—R3,100 per family. So it is a great deception to speak of large reserves of money. With what funds are people to participate in the privatization of housing, for example? In actual fact, maybe, everything will be bought up by the mafia, by people operating in the shadow economy, and by moneybags-members of cooperatives?

Our Higher Economic Council has come up with the idea of the coupon method. Since people have just R8 billion to hand, and it is necessary to give honest people something like a further R30 billion so that they can participate in the privatization of housing not as poor relations, it is clear that it must be taken from somewhere.... We have taken into consideration the fact that our home state has constantly underpaid people's wages and, as a result, is thoroughly in debt to them. And we have found a way of returning at least some of it to those poor, unfortunate people of Kazakhstan who are in seventh or eighth place in the country in terms of the

level of social development, while having such wealth! The housing privatization program is built on this "repayment of debt."

[Correspondent] Could you say on what forces you rely in implementing your reforms? It is no secret that there are people in various echelons of power in the republic for whom your policy is not an organic consequence of their convictions. As president, you have the right, given you by republic law, to dismiss any oblast soviet chairman from his post. Do situations arise for you to take advantage of this right?

[Nazarbayev] All who have not yet forgotten how to work and think, who do not seek dignity in poverty and a wretched existence, and who do not cling to the past, including to the use of privileges, are my mainstay.

All genuine cooperative members in Kazakhstan know that I support them. All lessees know this. It is important initially to protect the weak and to break the trend. I want everyone to see that a person, just six months after receiving 20 sovkhoz cows, has begun getting twice as much milk from them on his "own farm."

There undoubtedly are braking forces. But I am against breaking them across my knee. We have already broken.... The conviction of everyone must be treated with respect, if his is a profound conviction. There is no need to break lives and destinies. We will develop privatization and small enterprises, and if someone understands nothing—life itself will push him to the sidelines. Either turn your brain around and start helping and going forward or life itself will cast you aside. I bluntly say to such people, be they a sovkhoz director or an oblast party committee first secretary: This is my position and, frankly, you will not succeed in stopping me, for I will either leave or move in this direction.

I have said to secretaries of Kazakhstan party organizations: This is my three-point program. First, the Kazakh Communist Party favors the preservation of the Union and our state's unity on new principles. Second, militant internationalism, if you like, and the unity of peoples of all nationalities. Third, the market irrevocably. This is the ideology for you.... Certain leaders of large oblast and rayon party organizations are offering particular resistance—simply losing power, I believe. There is nostalgia, and they want things to be the way they were.

[Correspondent] Has your party too emerged from the trenches?

[Nazarbayev] It is not opposed to new forms of management or to serious changes in the economy and politics. This is, I believe, the chief positive difference between the republic party organization and the position of those who do not wish to "waive principles."

[Correspondent] As for those who have climbed out of the trenches in other regions, whom, in your opinion, do they want to lay low? Which policy do they reject?

[Nazarbayev] The last CPSU Central Committee plenum is very revealing in this connection. You sit at such a forum and think: Where, in fact, have you ended up? At what meeting, in what year? You cannot believe your ears on hearing questions like this: Why are the economic reforms not discussed in the Politburo? Why was the privatization program not discussed at the plenum? Why does Pavlov not report back to us?

Definitely, while some people were sitting in the trenches, life moved far ahead. And if anyone is reckoning on mounting an attack to catch up with it and to drive it back into the old channel, first, this is impossible. And, second, it is very dangerous. And if the party takes it into its head to try to bring back the past with the help of force or to instill order with the help of national salvation committees, then this is probably the last thing it would do to bring about its own collapse.

[Correspondent] The question of the need to hold a nationwide presidential election in the republic arose literally a few days ago at the Kazakh Soviet Socialist Republic Supreme Soviet session. What was your attitude to this?

[Nazarbayev] I expressed my attitude at the session. The republic is now going through a very complex, crucial turning point, unequaled in its history. The law on the reduction of state control and privatization has been adopted—the first real step has been taken toward the market and a fundamentally new and unaccustomed way of life. There will be no way back now. Being well aware of the whole weight of responsibility shouldered by the republic's leader during this period and of the measure of trust that he must enjoy from his people, I said to the deputies: I understand and share the opinion that has emerged with regard to a general presidential election. I proposed: Decide! If you consider that this is a really urgent question today, let us hold such an election. If not—let us not raise it any more, bearing in mind that there is a constitutionally elected president in Kazakhstan. I asked parliament to firmly express its position. It did so: They decided that it is not expedient to hold the election now, since the people's trust in the head of the republic enables him to exercise his powers and move resolutely along the charted course.

[Correspondent] In the sociopolitical life of the country you have, in our view, become a bridge between Russia and the center, between left-radical and centrist forces. How do you yourself view this role of yours? How do you assess B.N. Yeltsin's election as president of Russia?

[Nazarbayev] I will start with the last point. Boris Nikolayevich knew that I would root for him in that election. Simply no other candidate—to judge, above all, by their programs—could have been a boon to Russia. Take the most likely contender—N.I. Ryzhkov. I have every respect for Nikolay Ivanovich, but I believe objectively that the realization of his program would have acted as a serious brake on economic reform, slowed up

the movement toward the market, and ensured in many respects a return to the command economy.

Yeltsin's program is far more progressive in all respects, for it is underpinned by three reliable "leviathans": clear movement toward the market, radical economic reform, and the development of horizontal ties. At the same time I do not agree with Yeltsin on everything, and I have already said so repeatedly. His democratic aspirations and his desire to preserve the Union are impressive. But his passion for confrontation with M.S. Gorbachev, his uncompromising nature, his rejection of a search for constructive, mutually acceptable solutions.... This has not always benefited the cause of consolidation. And we have a particular need of this now.

From what premise do I proceed when upholding my views and advocating the preservation of the Union, radical economic changes, and the strengthening of horizontal ties between republics?

I proceed from reality. The destiny of our peoples and our territory and geography have taken shape in such a way that we are doomed, in a good sense, to live in friendship. And to hand on a normal life and normal work to future generations. This is the whole question. We politicians will come and go, but the people and the land will remain. There will be Russia, there will be Kazakhstan. These peoples will live in the future. So why must I leave behind me perplexity, misunderstanding, fighting, and dissension? But not friendship? I am convinced that it would be unforgivable, while rejecting much that was bad in the past, also to forget the good things—internationalism, friendship, and the ability of such different and such diverse peoples to get on and live together. For, however complex and difficult our history may have been, it is our common history and has given us such experience. So why renounce it?

The basis of a normal existence is when peoples trade directly with each other, but we always traded through an anonymous body. All the profits were taken by the Gosplan and the Ministry of Finance and then redistributed—we did not know where to. I raised this question for the first time this year: We must know to where we dispatch grain. Now we know: Approximately 60 Russian krays and oblasts receive grain from Kazakhstan. But we did not know before. We traded through an anonymous body, through monsters. And the republics did not trade with each other.

Treaties between republics—at first neither Gorbachev nor, particularly, Ryzhkov liked this idea. So we have created the bases of horizontal ties. We make the same deliveries, but we have learned that the Karaganda Metallurgical Combine, so it turns out, does not dispatch to a store of the State Committee for Material and Technical Supply but supplies metal to a specific rolling plant—the Chelyabinsk one, for example. In world practice normal trade has always been and still is the basis of real friendship, of genuine unity. Trading partners cannot have an interest in the instability of each other's situation.

The most important thing today is the Union treaty. The new Union treaty on a totally new basis. And, indeed, with the necessary powers of the center. With the republics' full independence. Without the Union we will not enter the world market. No one will subsidize each republic separately, and no seven will recognize a republic taken separately. Therefore if we, the republics' leaders, really wish our peoples well, we must reject political intrigue and start getting down to work. That is, down to the economy. This is the most important question.